

NATIONAL MEDIATION BOARD
ANNUAL PERFORMANCE AND
ACCOUNTABILITY REPORT FY2010



CHAIRMAN'S LETTER

November 14, 2010

Fiscal Year 2010 was an extraordinary year for the National Mediation Board (NMB) and the parties it serves in the airline and railroad industries.

Foremost among the agency's many accomplishments in its 76th year of service was a rule change affecting the NMB voting procedure for representation elections. After an arduous, transparent rulemaking process overseen by the Board Members and the NMB Office of Legal Affairs, the NMB on July 1, 2010, changed its voting procedures to add a "No" option and to provide that the majority of votes-cast will determine the outcome of representation elections.

Fulfilling the Board's long term goals, the Office of Arbitration Services also broke new ground by setting yet another record for the fewest number of railroad grievance cases pending at the end of a fiscal year: 2,770 at the end of FY 2010.

Internally, the Board reestablished the Chief of Staff position. This key position will oversee the Mediation, ADR, Arbitration and Administrative functions of the NMB. Several more recommendations from an independent review committee comprised of carrier and union experts (Dunlop II) are under consideration by the Board.

Responding to President Obama's Open Government Directive, the NMB created a comprehensive portal on its website, focusing on the principles of Transparency, Participation, and Collaboration. Among many of the President's hiring-reform initiatives, the Board's Office of Administration transitioned to the USA Staffing system that allows for the electronic submission of "resume only" employment applications.

As in FY 2009, the Office of Mediation Services assisted the parties in FY 2010 in reaching voluntary agreements in numerous collective bargaining disputes without a Presidential Emergency Board. FY 2010 was the 16th consecutive year in which there has not been a railroad work stoppage. The NMB Office of Alternative Dispute Resolution Services expanded the scope of its services available to the parties to include expedited mediation/arbitration processes, online workspaces for the parties, and an online distance-learning program.

An extensive list of the agency's accomplishments for FY 2010 is provided in the Highlights section of this Performance and Accountability Report. Additional details can be found in the office narratives provided in the Management Discussion and Analysis section.

This Performance and Accountability Report includes a comprehensive set of performance Goals and Results pursuant to the Government Performance and Results Act. Also incorporated, as required, are the NMB Financial Report and Management Assurances. Because the NMB is not subject to the CFO Act, this Annual Report may not contain some of the information required of CFO Act agencies.



Harry R. Hoglander
Chairman

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MISSION STATEMENT THE NATIONAL MEDIATION BOARD (NMB) WAS ESTABLISHED BY THE 1934 AMENDMENTS TO THE RAILWAY LABOR ACT (RLA) OF 1926. IT IS AN INDEPENDENT, FEDERAL AGENCY PERFORMING A CENTRAL ROLE IN FACILITATING HARMONIOUS LABOR-MANAGEMENT RELATIONS WITHIN TWO OF THE NATION'S KEY TRANSPORTATION SECTORS: THE RAILROADS AND AIRLINES.

OVERVIEW

The NMB is headed by a three-member board appointed by the President and confirmed by the Senate. The members self-designate a Chairman typically on a yearly basis.

Pursuant to the Railway Labor Act*, the Agency's integrated dispute-resolution processes are designed to promote the following three statutory goals, enabling the National Mediation Board to effect its mandate to minimize work stoppages in the railroad and airline industries:

- 1 The resolution of disputes arising out of the negotiation of new or revised collective bargaining agreements;
- 2 The effectuation of employee rights of self-organization where a representation dispute exists; and
- 3 The resolution of disputes over the interpretation or application of existing collective bargaining agreements.

In order to realize these goals, the NMB has reestablished a Chief of Staff position to oversee the Office of Administration and three offices that house program areas: the Office of Mediation Services, Office of Alternative Dispute Resolution Services, and the Office of Arbitration Services. The General Counsel oversees the Office of Legal Affairs and serves as Legal Counsel for the NMB. For further information, see the Management Discussion and Analysis section of this Annual Report.

*RAILROAD LABOR ACT

The Railway Labor Act (RLA) provides a comprehensive statutory framework for the resolution of labor-management disputes in the airline and railroad industries. Enacted in 1926 as a collaborative effort of labor and management, the RLA succeeded several previous federal statutes dating back to 1888. The 1926 Act provided for mandatory Mediation and voluntary Arbitration of railroad disputes in contract negotiations, as well as for Presidential Emergency Boards to enhance dispute resolution. Key amendments to the Act in 1934 established a three-member National Mediation Board (NMB) and authorized the resolution of employee Representation disputes by the NMB. In 1936, the jurisdiction of the RLA was expanded to include the airline industry. The 1981 amendment to the Act permitted the creation of specialized Presidential Emergency Boards for collective bargaining disputes at certain commuter railroads.

FY 2010 HIGHLIGHTS

During Fiscal Year 2010, the National Mediation Board entered its 76th year as the agency responsible for promoting harmonious relations among carriers and labor organizations in the airline and railroad industries. During FY 2010, the NMB continued to build upon its three quarters of a century of service to the public and the industries, and it continued to move toward the future with innovative changes and program initiatives. Some brief notes about the year's highlights will serve to illustrate the dynamic nature of the NMB's work in FY 2010.

DUNLOP II REPORT

In 2009, the NMB called upon a group of carrier and organization experts to review the progress the agency had made since the original report of the industry labor-management committee was issued in 1996. The 1996 committee report was prompted by recommendations in a report by the Dunlop Commission of 1995; the 2009 review group, known as Dunlop II, issued its report in two stages. First, an interim report was issued in December, 2009, recommending recreation of the Chief of Staff position. Second, a final report was issued in April, 2010, with recommendations that will be considered as the Board moves forward. These Dunlop II reports are available in the NMB Open Government web pages at www.nmb.gov/open.

The Board has created an internal team to consider the Dunlop II recommendations and to suggest ways to implement changes or improve existing processes and programs.

CHIEF OF STAFF

In response to organizational needs and the recommendation from the Dunlop II committee, the NMB reestablished the Chief of Staff position in FY 2010. Daniel Rainey, formerly the Director of Alternative Dispute Resolution at the NMB, was appointed to the position and was charged with managing the agency's internal programs and implementing the Board's policies. For Mr. Rainey's biography, see "Executive Directors" in the "About the NMB" section of this Annual Report.

REPRESENTATION RULE

During FY 2010, the Board completed a review process that included active public input and finalized a rule change affecting voting procedures in agency representation cases. See the NMB Representation Rulemaking page at www.nmb.gov/representation/rmenu.html. The first elections conducted under the new rule were completed in October, 2010.

OPEN GOVERNMENT INITIATIVE

The Obama Administration has embarked upon an "open government" initiative designed to make information easily available to the public. The NMB has for years pursued an open government initiative of its own, putting information generated by the Board and the parties on the Internet and making real-time reports available to the public through its web site. As part of the new government-wide initiative, the NMB has created an even more comprehensive open government portal (see: www.nmb.gov/open on the NMB website), where a wide range of agency information is easily available.

NMB LYCEUM

During FY 2010, the NMB created an open “distance learning” site to serve the NMB staff and the parties. The NMB Lyceum (<http://nmblyceum.info>) is in its formative stages, but will contain all of the agency’s training programs and related information.

ICT UPGRADE

As the first government agency to create an all-electronic records schedule, and with a mediation workforce that is on the road for an average of three weeks each month, it is necessary for the agency to have an advanced information and communication technology (ICT) base. During FY 2010, the NMB completed a refresh of its network servers, desktop workstations, and notebook computers.

CASE MANAGEMENT

During FY 2010, the NMB rolled out improved case management systems in Arbitration and in Mediation. The new system is tied to a unified agency information data base and will, when complete, serve the entire agency.

ARBITRATOR WORK SPACE

Work began in FY 2010 to create a “one-stop shop” for NMB contract arbitrators. The new workspace, when implemented in FY 2011, will allow arbitrators to access all case information related to their caseloads, and to use a web-based reporting system to request work days and report case activity. Full implementation will make all of the arbitration processes easier to access and will allow for better auditing of arbitration workloads.

ONLINE DISPUTE RESOLUTION

In FY 2010, the NMB continued to expand its online dispute resolution (ODR) program, offering web-based arbitration and online workspaces to parties for use in arbitration proceedings and in collective bargaining.

THE DISAPPEARING ARBITRATION BACKLOG

The end of FY 2010 found just over 300 cases left from the 5,551 old, backlogged cases identified in FY 2008. This fiscal year ended with just over 2700 cases “heard but not decided” on the books – the lowest number in recent NMB history.

HIRING PROCESSES

During FY 2010 the NMB was at the forefront of implementing new hiring processes designed to streamline the recruitment and hiring process. The NMB was among the first agencies to fully implement an online system allowing “resume only” applications, and on November 1, 2010, when the new guidelines for category rating of candidates become available, the NMB was ready to implement that program.

PASSENGER RAIL CONFERENCE

During FY 2010, the NMB began planning for a Passenger Railroad Conference on Labor Management Relations held early in November 2010. The conference offered a chance for labor-management professionals who work in the passenger railroad arena to get together and discuss the major issues impacting bargaining, grievances, and labor relations of passenger rail.

ADR SUMMIT

The NMB hosted in FY 2010 a preliminary meeting of a group of small agencies with external ADR programs: agencies that deal with citizen complaints, citizen input, and dispute resolution related to regulation and oversight. That initial meeting was followed early in FY 2011 by a Small Agency ADR Summit, again hosted by the NMB, to establish an ongoing forum for improving dispute resolution services to the public.

INTERN PROGRAM

In FY 2010, the NMB announced the creation of an agency intern program, the Brunkenhoefer-Lee-Moneypenny Intern Program, designed to offer opportunities for students to learn about the RLA and labor-management relations in the airline and railroad industries. The first intern under this program will begin working with the NMB early in FY 2011.

ARBITRATION FORUM

In FY 2010, the NMB created the Arbitration Forum, with members from rail management and labor, the NMB, and the National Association of Railroad Referees (NARR). For the first time, representatives from all of the parties involved in Section 3 work will have an opportunity to discuss, in a standing forum, issues affecting the processing of minor disputes under the RLA.

NMB STRUCTURE

MEMBERS OF THE BOARD

Harry Hoglander Chairman	Linda Puchala Member	Elizabeth Dougherty Member
Robin Stein Confidential Assistant	Libby Angelopoulos Confidential Assistant	Anne Woodson Confidential Assistant

CHIEF OF STAFF

Daniel Rainey
Chief of Staff

Samantha Williams
COS Assistant

GENERAL COUNSEL

Mary Johnson
General Counsel

ARBITRATION

Roland Watkins
Director

Carol Conrad
Supervisor Arbitration Specialist

Paralegal Specialist
Darrell Dancer

Program Mgt. Assistant
Kimberly Beaubien
Linda Gathings

Program Mgt. Specialist
Tia Little*

ALTERNATIVE DISPUTE RESOLUTION

Denise Hedges
Senior Mediator (ADR)

ADR Specialist
Rachel Barbour

Program Analyst
Charles Montague

Public Information
Donald West

Records Mgt Officer
Anita Bonds

IT Contractors
Kristen Adkins
Eugene Ajayi

MEDIATION

Larry Gibbons
Director

Patricia Sims
Senior Mediator

Terri Brown
Senior Mediator

Mediators
Walter Darr*
Victoria Gray
C. Anthony Iannone
Jack Kane
Michael Kelliher
John Livingood
James Mackenzie
Gerry McGuckin
Anthony Tosi

Mediation Program Specialist
Karen Burton

ADMINISTRATION

June D.W. King
Director

Denise Murdock
Administrative Officer

Accountant
Shirley Morris-Crank

Support Services Specialist
Bruce Conward
Terran Walker

Receptionist
Florine Kellogg

LEGAL AFFAIRS

Maria-Kate Dowling
Associate General Counsel

Counsel
Cristina Bonaca
Norman Graber
Eileen Hennessey
Angela Heverling
Susanna Parker

Paralegal Specialist
Dean Wagner
Timothy Sweeney

Program Support Specialist
Tonya Kirksey

* joined the NMB in October, 2010

BOARD MEMBERS



Harry Hoglander
Chairman

Having twice before served as Chairman, Mr. Harry Hoglander assumed Chairmanship of the National Mediation Board (NMB) for a third time effective July 1, 2010. He was first confirmed as member of the NMB by the United States Senate on August 1, 2002, reconfirmed for a second term on December 8, 2006, and a third term on July 24, 2009.

Prior to joining the Board, Mr. Hoglander served as a Legislative Specialist in the office of Congressman John Tierney of Massachusetts with responsibilities in Transportation issues including aviation, rail and maritime, Labor, Defense and Veterans Affairs.

Chairman Hoglander has an extensive background in the aviation industry and labor relations, having flown as a Captain for Trans World Airline (TWA) and being elected Master Chairman of TWA's Master Executive Council. He was also elected Executive Vice-President of the Air Line Pilots Association. After leaving TWA, Mr. Hoglander was named Aviation Labor Representative to the United States Bi-Lateral Negotiating Team by then Secretary of State James Baker.

Mr. Hoglander was also a pilot in the United States Air Force, retiring with the rank of Lt. Colonel. He graduated from Suffolk University Law School and is a member of the Florida Bar.

Chairman Hoglander and his wife Judith reside in Magnolia, Massachusetts. They have six grown children and twelve grandchildren.



Linda Puchala
Member

Nominated by President Barack Obama, Ms. Linda A. Puchala was confirmed as Member of the National Mediation Board by the United States Senate on May 21, 2009. She was sworn in on May 26, 2009, completing the term of her predecessor as Chairman through June 30, 2009. Ms. Puchala's current term as Member runs through June 30, 2012.

Prior to becoming a Member, Ms. Puchala served as the Sr. Mediator (ADR) and the Associate Director of Alternative Dispute Resolution Services of the National Mediation Board. She joined the agency in May, 1999, as a Mediator working on both airline and railroad cases.

Member Puchala has 40 years of experience in Labor Relations, including work as International President of the Association of Flight Attendants-CWA, AFL-CIO, and Staff Director, Michigan State Employees Association, AFSCME, AFL-CIO.

Ms. Puchala resides in Glen Burnie, Maryland, and holds a Bachelor's degree in Business Administration from Cleary University in Howell, Michigan. She has two daughters, Jennifer Adams of Pasadena, MD, and Jessica Puchala of Grand Rapids, MI.



Elizabeth Dougherty
Member

Ms. Elizabeth Dougherty, a Member of the National Mediation Board (NMB) since December 13, 2006, has twice served as Chairman: from July 1, 2009 through June 30, 2010 and also from December 13, 2006 through June 30, 2007. She was nominated by President George W. Bush and subsequently confirmed by the U.S. Senate on December 8, 2006.

Prior to joining the Board, Ms. Dougherty most recently served as Special Assistant to the President for Domestic Policy at the White House, where she covered labor and transportation issues. Prior to that, she served as Chief Counsel for the United States Senate Subcommittee on Employment, Safety and Training. Earlier in her career, she was an Associate at Hogan & Hartson, practicing labor and employment law.

Ms. Dougherty received her bachelor's degree from Duke University and her JD from the University of Virginia. She currently resides in Washington, DC, with her husband, Paul, and their two children.

EXECUTIVE DIRECTORS



Daniel Rainey
Chief of Staff

Daniel Rainey is the Chief of Staff for the National Mediation Board. He joined the NMB from private practice in ADR and conflict management in April, 2001. He was appointed to the Chief of Staff position in July, 2010. As Chief of Staff, he is responsible for managing the agency's internal programs, and he has full responsibility for implementing the Board's policies in all matters coming under its jurisdiction in the administration of the Railway Labor Act, except for those related to the Board's legal/representation programs and Freedom of Information (FOIA) requests.

Immediately prior to coming to the NMB, Mr. Rainey was the owner/president of a consulting firm specializing in conflict management, conflict intervention, and training. From 1978 through 1990, he was a faculty member and administrative faculty member at George Mason University.

His memberships and associations include: the Association for Conflict Resolution, the American Bar Association Section of Dispute Resolution, the National Center for Technology and Dispute Resolution, and the Conflict Resolution Quarterly Editorial Board.



Mary Johnson
General Counsel

Mary L. Johnson is General Counsel of the National Mediation Board. As General Counsel, she serves as the Chief Legal Officer of the agency and manages the Board's representation program and a legal program which includes litigation. In this role, Ms. Johnson provides legal advice to the Board Members and agency staff. In addition, she ensures compliance with the Freedom of Information Act, Government in the Sunshine Act, and other statutes.

Several months prior to her becoming General Counsel on December 15, 2002, Ms. Johnson was appointed Acting Director of the Board's Office of Legal Affairs. She had served as the Board's Litigation Counsel since March, 2000. She has also been the agency's Designated Ethics Official since November 2002, and prior to that, Alternate Designated Ethics Official from 1996. Ms. Johnson joined the National Mediation Board as a Hearing Officer in December 1980, and became a Senior Hearing Officer in 1989.

Ms. Johnson received her Juris Doctor from the University of Connecticut School of Law and her A.B. from Barnard College. She is a member of the Connecticut Bar. She is on the Executive Board of the Association of Labor Relations Agencies, a consortium of federal, state, and Canadian labor relations agencies. Ms. Johnson is also public co-chair of the Railroad and Airline Labor Committee of the Labor and Employment Law Section of the American Bar Association.

DIRECTORS & PROGRAM MANAGERS



Roland Watkins
Director, Arbitration

Roland Watkins joined the National Mediation Board in February, 1980. During his career at the Board, he has been a Senior Hearing Officer and Legal Counsel. He has also served as counsel/special assistant to numerous Presidential Emergency Boards and Congressional Advisory Boards.

Currently, Mr. Watkins serves as the Director of the Arbitration Department, where he is responsible for all aspects of Grievance and Interest Arbitration in the airline and railroad industries. These responsibilities include administering railroad Public Law Boards, Special Boards of Adjustment and Arbitration Boards. He serves as the Administrator for the National Railroad Adjustment Board which is located in Chicago, Illinois.

Mr. Watkins received his B.A. degree in Economics from Lafayette College located in Easton, Pennsylvania, and his Juris Doctor from Cornell Law School in Ithaca, New York. He is a member of the Railroad and Airline Labor Committee and the Dispute Resolution Committee of the Labor and Employment Law Section of the American Bar Association.



June D.W. King
Director, Administration
Chief Information Officer

June D.W. King is currently the Director of Administration (OA) and Chief Information Officer (CIO) for the National Mediation Board. As OA Director, she is responsible for the Board's administrative management functions, which include strategic planning and budgeting; accounting and finance; human resources management; procurement and contracting; and internal audit and evaluation. As the CIO, she has direct authority for the NMB's policies and practices of the Board's Information Technology Program.

She serves as the NMB's principal management official on all the Small Agency Councils in the areas of administration, human resources and information technology. She is also a member of the Small Agency Council Executive Committee and the Chief Information Officers' Committee.

Mrs. King received her Bachelor's degree in Business Administration with a concentration in Accounting from the University of the District of Columbia.



Larry Gibbons
Director, Mediation

Larry Gibbons joined the Board in September, 1997 as a Senior Mediator. Currently, Mr. Gibbons is the Director of Mediation and has overall responsibility for the administration and management of mediation cases in the airline and railroad industries.

Mr. Gibbons brought to the Board 25 years of experience in personnel and labor relations, practicing under both the National Labor Relations Act (NLRA) and Railway Labor Act (RLA). Immediately prior to joining the NMB, he headed Human Resources and Labor Relations with ABX Air, Inc. (Airborne Express) for 12 years and for two years was an independent labor relations consultant. He is a past President and Member of the AIRCON Executive Board. Mr. Gibbons was also actively involved in community activities including serving on a Board of Directors for the United Way and an Adult Rehabilitation Workshop.

Mr. Gibbons earned a Bachelor of Science degree in Journalism from Ohio University, and he served as an officer in the United States Army.



Denise Hedges
Senior Mediator (ADR)

Denise Hedges, as Senior Mediator (ADR), directs the Board's Alternative Dispute Resolution (ADR) training and outreach programs, develops and maintains the training curricula, delivers training to interested parties, and conducts facilitation and grievance mediation. In this position, Denise manages the Office of ADR Services and supervises the ADR staff. As one of two designated NMB Ombudsmen, Ms. Hedges addresses as appropriate, problems presented by agency employees or contractors regarding actions of the NMB or its managers and employees. She also remains active as a mediator and facilitator in airline and railroad cases.

Denise joined the agency in September of 2000 as a Mediator. In that capacity, she handled both airline and railroad mediation cases, and conducted Interest Based Bargaining (IBB), Facilitative Problem Solving (FPS), Grievance Mediation and Online Dispute Resolution (ODR) training and facilitation.

Prior to joining the Board, Denise had over 30 years of experience in the airline industry with 25 years of Labor Relations experience including 8 years as President of a major airline union. She has negotiated collective bargaining agreements under the Railway Labor Act (RLA), the National Labor Relations Act (NLRA) and the Federal Labor Relations Act (FLRA).

Ms. Hedges earned a Bachelor of Arts degree in Anthropology from Southern Methodist University and was inducted into Alpha Kappa Delta, the National Sociology Honorary. She has post-graduate training and education in negotiation, grievance and arbitration, alternative dispute resolution, grievance mediation, facilitation and online dispute resolution.

REGISTRY OF BOARD MEMBERS

Name	Start Date	Status	End Date
Linda A. Puchala	05-26-09	Active ¹	—
Elizabeth Dougherty	12-13-06	Active ²	—
Read Van de Water	12-11-03	Term Expired	05-22-09
Harry R. Hoglander	08-06-02	Active ³	—
Edward J. Fitzmaurice, Jr.	08-02-02	Term Expired	12-13-06
Francis J. Duggan	11-22-99	Retired	11-21-03
Magdalena G. Jacobsen	12-01-93	Retired	08-02-02
Ernest W. DuBester	11-15-93	Resigned	08-01-01
Kenneth B. Hipp	05-19-95	Resigned	12-31-98
Kimberly A. Madigan	08-20-90	Resigned	11-30-93
Patrick J. Cleary	12-04-89	Resigned	01-31-95
Joshua M. Javits	01-19-88	Resigned	11-14-93
Charles L. Woods	01-09-86	Resigned	01-15-88
Helen M. Witt	11-18-83	Resigned	09-18-88
Walter C. Wallace	10-12-82	Term Expired	07-01-90
Robert J. Brown	08-20-79	Resigned	06-01-82
Robert O. Harris	08-03-77	Resigned	07-31-84
Kay McMurray	10-05-72	Term Expired	07-01-77
Peter C. Benedict	08-09-71	Deceased	04-12-72
David H. Stowe	12-10-70	Retired	07-01-79
George S. Ives	09-19-69	Retired	09-01-81
Howard G. Gamser	03-11-63	Resigned	05-31-69
Robert O. Boyd	12-28-53	Resigned	10-14-62
Leverett Edwards	04-21-50	Resigned	07-31-70
John Thad Scott, Jr.	03-05-48	Resigned	07-31-53
Francis A. O'Neill, Jr.	04-01-47	Resigned	04-30-71
Frank P. Douglass	07-03-44	Resigned	03-01-50
William M. Leiserson	03-01-43	Resigned	05-31-44
Harry H. Schwartz	02-26-43	Term Expired	01-31-47
David J. Lewis	06-03-39	Resigned	02-05-43
George A. Cook	01-07-38	Resigned	08-01-46
Otto S. Beyer	02-11-36	Resigned	02-11-43
John M. Carmody	07-21-34	Resigned	09-30-35
James W. Carmalt	07-21-34	Deceased	12-02-37
William M. Leiserson	07-21-34	Resigned	05-31-39

¹ Term expires July 1, 2012.

² Term expired July 1, 2010.

³ Term expires July 1, 2011.

THE OFFICE OF MEDIATION SERVICES MANAGES MEDIATION OF COLLECTIVE BARGAINING DISPUTES PURSUANT TO STATUTORY AUTHORITY UNDER “SECTION 6” OF THE RAILWAY LABOR ACT (RLA), APPLICABLE TO BOTH THE AIRLINE AND RAILROAD INDUSTRIES.



FUNCTIONS

The RLA requires labor and management to exert every reasonable effort to make and maintain collective bargaining agreements. Initially, the parties must give notice to each other of their proposals for new or revised agreements. Direct Negotiation between the parties must commence promptly and continue in an effort to conclude a new collective bargaining agreement or to narrow their differences. Should parties fail to reach agreement during Direct Negotiations, either party or the parties jointly, may apply to the NMB for Mediation. Following receipt of an application, the NMB promptly assigns a mediator to assist the parties in reaching an agreement. (An application for NMB mediation services may be obtained from the Agency's web site at www.nmb.gov/mediation/mmenu.html.)

The NMB is obligated under the Act to use its "best efforts" to bring about a peaceful resolution of the dispute. If such efforts do not settle the dispute, the NMB advises the parties and offers Interest Arbitration (proffers arbitration) as an alternative approach to resolving the remaining issues. If either party rejects this offer of binding arbitration, the NMB releases the parties from formal Mediation. This release triggers a thirty-day Cooling Off period, during which the Agency continues to work with the parties to achieve a consensual solution to the dispute. However, if an agreement is not reached by the end of the thirty-day period and the U.S. President does not establish an Emergency Board, the parties are free to exercise lawful self-help, which includes carrier-imposed working conditions and/or a strike by the union/organization.

For a flow-chart of Mediation procedures, see the Mediation section of the NMB website at www.nmb.gov/mediation/mmenu.html.

For more information on Emergency Boards, see the Presidential Emergency Boards section of this Annual Report.

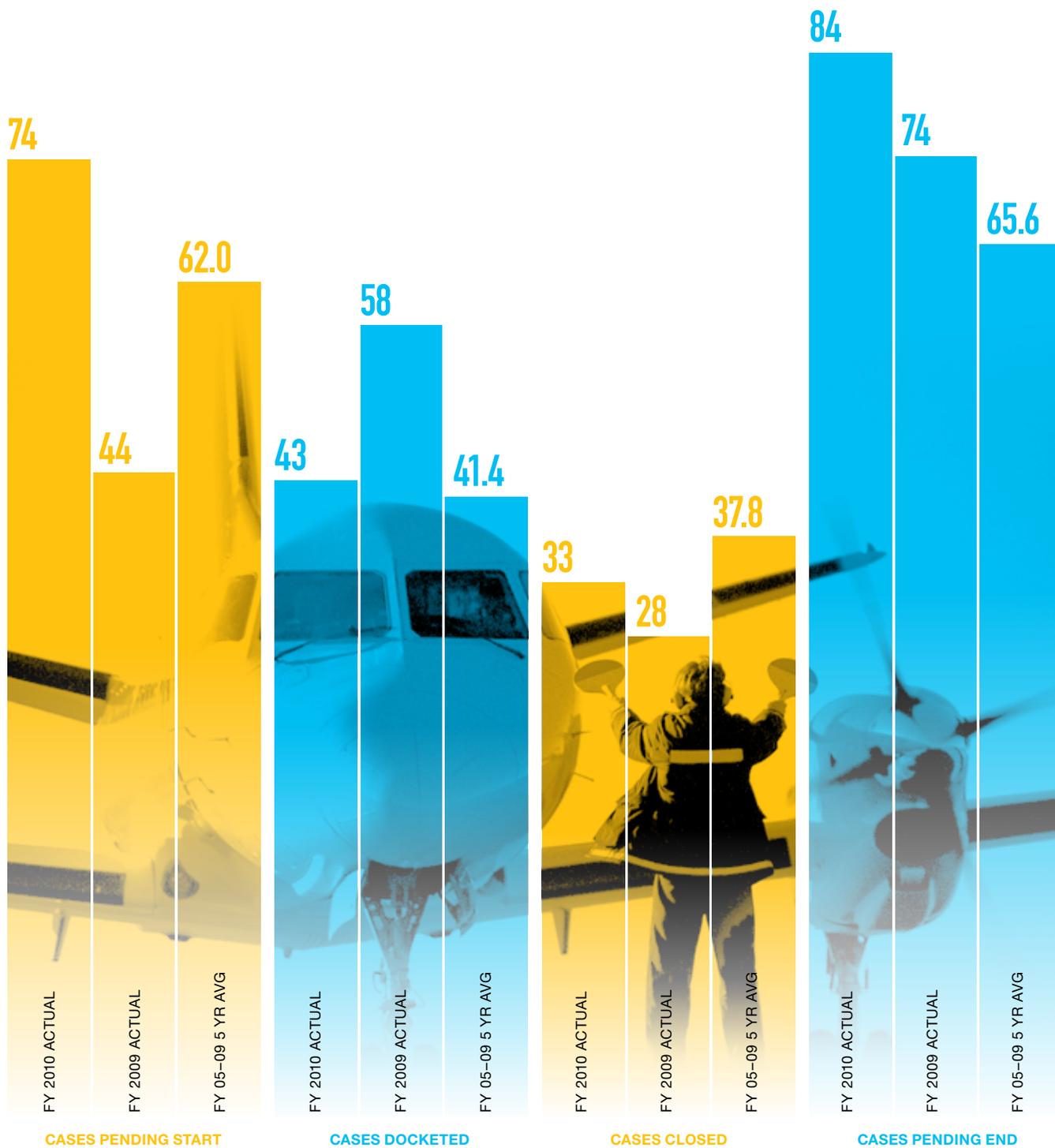
OVERVIEW OF FISCAL YEAR 2010

FY 2010 was a year, once again, marked by significant changes in the airline industry with the announcement of the merger between legacy carriers, United and Continental, following the Delta/Northwest merger. In addition, two low-cost carriers, Southwest and Air Tran, announced their merger. Finally, multiple consolidations were seen in the Regional Airline segment. As the economy continued its sluggish recovery, the airlines struggled towards profitability as well. Consequently, NMB mediators continued to face the challenges of high labor expectations and low carrier profits in their efforts to assist the parties in reaching settlements. This reality makes the mediator's role both increasingly difficult and important.

In fiscal year 2010, mediation cases docketed fell below the number docketed in fiscal year 2009 and the projected number for fiscal year 2010. Pending mergers, and the fact that no cases from AMTRAK were docketed, impacted the decline. Still, cases-docketed exceeded the prior five-year average and more cases were docketed than closed. This trend is largely due to the complex cases docketed after airlines emerged from bankruptcy in prior years.

MEDIATION CASES

The following chart reflects actual case numbers for FY 2010 and FY 2009 and a five-year Average.



**HIGHLIGHTS DURING
FISCAL YEAR 2010**

LEGACY CARRIERS

During fiscal year 2010 the Board's mediation function was heavily taxed by complex cases involving the legacy carriers. Actual or near bankruptcies at American Airlines and United Airlines resulted in common amendable dates for their respective collective bargaining agreements. Currently there are 17 open mediation cases involving these two carriers. In addition, there are 4 open cases involving Continental and USAirways in mediation.

COOLING-OFF PERIODS

During FY 2010, the only parties to enter a cooling-off period were Spirit Airlines and its pilots, who are represented by the Air Line Pilots Association (ALPA). The cooling-off period ended at 12:01 a.m. on June 12, 2010 without a settlement.

SELF-HELP ACTIVITY

The only self-help activity during this fiscal year involved Spirit and ALPA. When they failed to reach agreement, ALPA initiated self-help on June 12, 2010. The Board requested that the parties meet on June 15-16, and the parties reached a tentative agreement on June 16.

SETTLEMENTS

Some of the airline carriers and organizations that reached agreements with NMB assistance in FY2010 included: Hawaiian Airlines and ALPA; British Airways and IAM; Continental Airlines and the TWU; and Mesa Airlines and AFA.

In the railroad industry some of the railroads and organizations that reached agreements with NMB assistance in FY2010 included: Union Railroad Company and BLET; Pan Am Railways and IBEW and UTU; Iowa Interstate Railroad and BMWED; and PATH and the RITU coalition.

PENDING CASES

At the end of the fiscal year, several significant airline cases not noted above remained in mediation: Air Tran/ALPA, Evergreen International/ALPA, TransStatesAirline/ALPA, UPS/IBT, Spirit/AFA, Pinnacle/ALPA, Alaska/IAM and Horizon/IBT. All these cases are proving to be extremely difficult given the economic and collective bargaining environment.

In the railroad industry, several Short Line and Commuter Railroads are also in mediation including: SEPTA/BLET and IBEW, SCFE/IAM, and Massachusetts Bay Commuter Railroad and eleven unions (IAM, UTU, ATDA, BMWED, IBB, BRS, IBEW, SMWIA, NCFO, JCC and TCU). In addition, there are six national-handling cases involving the NCCC and five unions (TCU, ATDA, TWU, IBEW and IAM).

THE OFFICE OF ALTERNATIVE DISPUTE RESOLUTION SERVICES MANAGES THE VOLUNTARY DISPUTE RESOLUTION PROGRAMS OF THE NMB INCLUDING FACILITATION, GRIEVANCE MEDIATION, TRAINING, AND OTHER ALTERNATIVE DISPUTE RESOLUTION EFFORTS WITH THE PARTIES.



FUNCTIONS

In addition to statutory mediation and arbitration services under Sections 6 and 3 of the RLA, the NMB also provides Alternative Dispute Resolution (ADR) services. ADR services include facilitation, training, grievance mediation, and an online dispute resolution (ODR) program, applying technology to the dispute resolution process.

The primary goal of the NMB's ADR program is to assist the parties in learning and applying more-effective, less-confrontational methods for resolving disputes. Another goal is to help the parties resolve more of their own disputes without outside intervention, and to use appropriate ODR technology to increase the efficiency and reduce the cost of dispute resolution efforts for the parties and for the NMB.

The NMB established its ADR Services program with the conviction that use of ADR and ODR methods and technology will result in fewer cases progressing to statutory mediation, reduce and narrow the issues that the parties bring to mediation, and positively affect working relationships among the parties.

A complete description of and an application for ADR services may be found in the ADR Services section on the Agency's web site at www.nmb.gov.

OVERVIEW OF FISCAL YEAR 2010

In FY 2010 the Office of Alternative Dispute Resolution Services (ADRS) continued to develop and deliver a wide range of ADR services, including training (T cases), facilitation (F cases), grievance mediation (GM), facilitated problem solving (FPS), and interest based negotiations (IBB). ADRS was also actively engaged in projects related to information and communications technology (ICT), records and information management (RIM), and case management. As in previous years, a large part of the work of ADRS crossed department boundaries within the NMB and called for close cooperation on a range of projects.

During FY 2010, ADRS continued to offer special training programs and facilitation efforts outside of traditional Interest-Based Bargaining (IBB), grievance mediation training, and facilitation work. The promotion of the use of Online Dispute Resolution (ODR) tools and training has greatly increased demands for services ADRS offers such as Central Desktop workspaces for the parties.

ADRS provided grievance mediation training and services that, again in FY 2010, resulted in a reduction of the number of cases going to arbitration or the bargaining table. In a recent railroad grievance mediation session, for example, ADRS provided a one day grievance mediation session to the parties that resulted in the settlement of an issue that prevented eighteen grievances from going to arbitration.

ADRS continued a series of projects in FY 2010 in cooperation with the Office of Arbitration Services designed to increase financial-management control of arbitration processes and address the backlog of aged cases. First, ADRS led the development of an automated work request and reporting process for the arbitrators, facilitating case tracking and case auditing. Second, ADRS partnered with Arbitration to offer an expedited Grievance Mediation and Arbitration process designed to increase the use of online technology and to move cases through the system in an expedited manner.

Also in FY 2010, ADRS developed a distance learning program to offer online training to all parties. The NMB developed a distance learning web site (the NMB Lyceum) that allows any party, carrier or organization, to access the training material at no cost and without having to use passwords or other identifying information.

ADR CASES

The following chart reflects actual case numbers for FY 2010 and FY 2009 and a five-year Average.

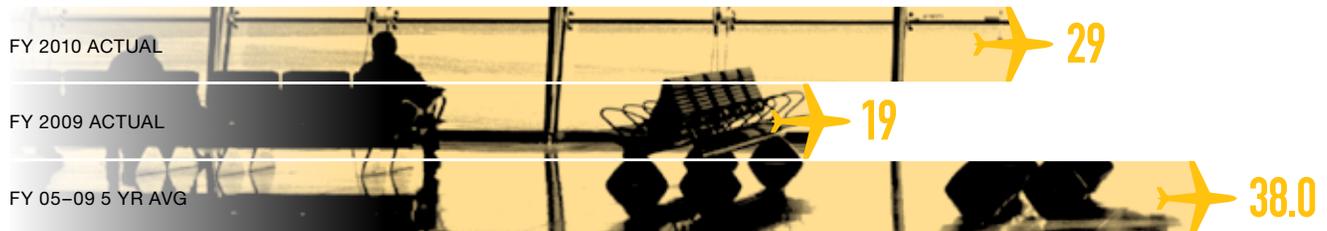
CASES PENDING START



CASES DOCKETED



CASES CLOSED



CASES PENDING END



**HIGHLIGHTS DURING
FISCAL YEAR 2010**

TRAINING

During FY 2010 ADRS continued to refine and update the standard training programs offered by the NMB, including Grievance Mediation training, Facilitated Problem Solving training and specialized training tailored to the parties' needs, such as team building and system boards of adjustment training. In addition, special training in expedited mediation/arbitration processes was requested by the parties and delivered by ADRS staff.

GRIEVANCE MEDIATION/EXPEDITED ARBITRATION

During FY 2010, ADRS and Mediation staff members were engaged in direct delivery of dispute resolution services as facilitators in grievance mediation, as facilitators in interest-based contract negotiations, and as trainers in a variety of programs. A special effort was made to merge grievance mediation with expedited arbitration. Successful GM/expedited arbitration projects were completed with CSXT/BLE, and Metro-North/TCU.

ONLINE DISPUTE RESOLUTION RESEARCH AND DEVELOPMENT

The NMB continued its partnership with the University of Massachusetts at Amherst under a research grant awarded by the National Science Foundation to study the impact of Online Dispute resolution (ODR) tools in mediation. The ODR research uses the Board's grievance mediation program as a model for the study. The six-year research projects was completed in FY 2010.

During FY 2010, online tools have been used in training, drafting of agreements, preparation for face-to-face negotiations, agenda setting, and online arbitration for a variety of carriers and organizations. Negotiating partners used comprehensive online workspaces provided by the NMB to manage preparation for negotiations, and to manage information during contract negotiations or grievance mediation. Carriers and organizations actively using NMB online workspaces include: AE/ALPA, CSXT/ATDA, CSXT/UTU, World/IBT, OmniAir/IBT, and Air Wisconsin/IAM.

In addition to the work with UMass and the use of online systems by parties in the airline and railroad industries, the NMB continues to be recognized as a leader in the application of technology to dispute resolution, both in the United States and internationally.

ONLINE ARBITRATION

The NMB continued to develop and use during FY 2010 its in-house web-based video and document sharing capabilities. The NMB online arbitration tools have positively impacted the allocation and use of funds for arbitration hearings, decision writing, and arbitrator travel. Virtually all executive sessions during FY 2010 for the NRAB were held using ODR technology.

NMB CORPORATE MEMORY

In FY 2010, the NMB has continued to refine its records and information management program (RIM), improving the search engine and further integrating the records database with the agency case management system.

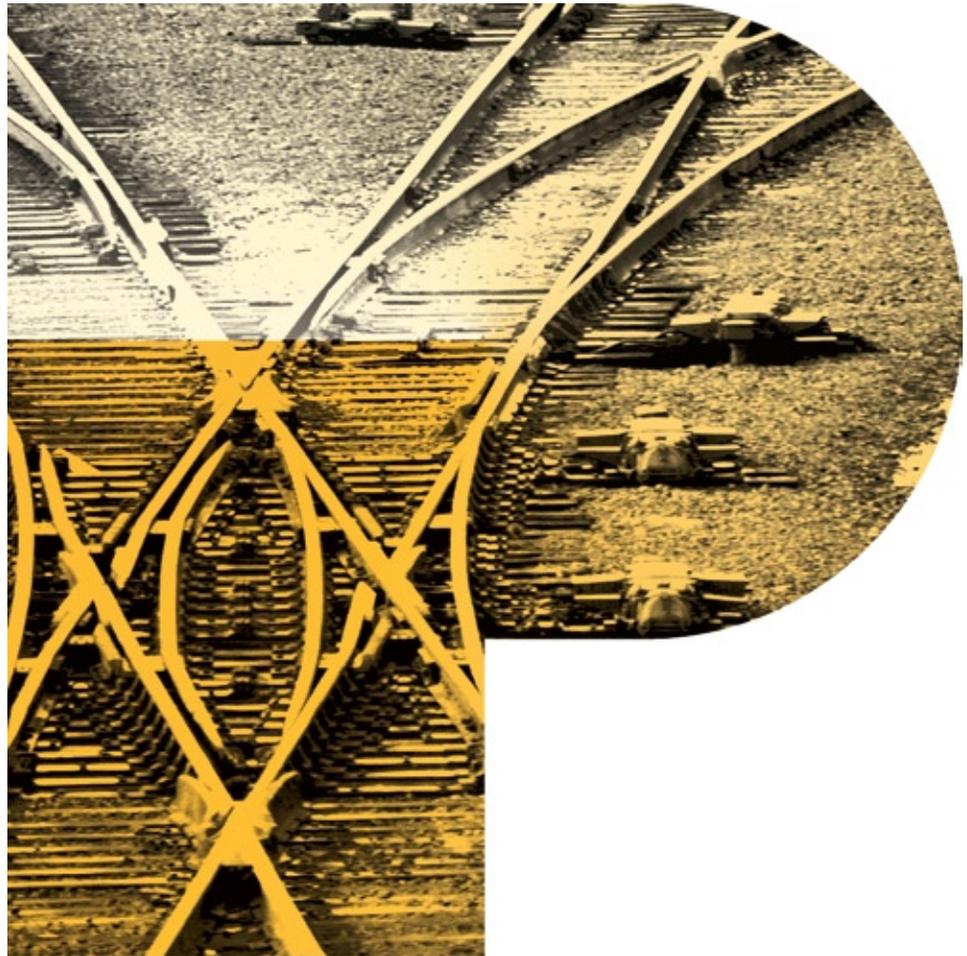
NMB KNOWLEDGE STORE

The ADRS staff continued to build and improve the public archive of information available through the NMB Knowledge Store. Currently, the NMB Knowledge Store contains over 100,000 documents in an easily searchable format, including arbitration awards, representation decisions, annual reports, PEB reports, industry contracts, and union constitutions and by-laws. In FY 2010, the NMB expanded a pilot program to allow carriers and organizations to directly enter final, signed arbitration decisions into the Knowledge Store, ensuring rapid availability of an entire set of decisions for the entire RLA community and the public. During FY 2010, CSXT, AMTRAK, UP, and the IBEW were equipped to engage in “direct deposit” arbitration decisions.

NMB CASE MANAGEMENT SYSTEMS

The ADRS Staff continued to refine protocols, standard operating procedures (SOPs), and training for case management systems in Arbitration and Mediation. During FY 2010, Mediation and Legal Affairs were moved from an old case management data base to a new system integrated with the agency’s e-records system. ADRS continued to assist agency departments in improving their business processes, and in the production of specialized reporting systems and other ad hoc requirements.

PRESIDENTIAL EMERGENCY BOARDS SECTION 159A (SECTION 9A) OF THE RAILWAY LABOR ACT (RLA) PROVIDES SPECIAL, MULTI-STEP EMERGENCY PROCEDURES FOR UNRESOLVED COLLECTIVE-BARGAINING DISPUTES AFFECTING PUBLICLY FUNDED AND OPERATED COMMUTER RAILROADS AND ITS EMPLOYEES. SECTION 160 (SECTION 10) OF THE RLA COVERS ALL OTHER RAILROADS AND AIRLINES.



FUNCTIONS

When the NMB determines that a collective-bargaining dispute cannot be resolved in mediation, the NMB proffers Interest Arbitration to the parties. Either labor or management may refuse the proffer and, after a 30-day cooling-off period, engage in a strike, implement new contract terms, or engage in other types of economic Self Help, unless a Presidential Emergency Board (PEB) is established.

If the NMB determines, pursuant to Section 160 of the RLA, that a dispute threatens substantially to interrupt interstate commerce to a degree that will deprive any section of the country of essential transportation service, the NMB notifies the President. The President may, at his discretion, establish a PEB to investigate and report respecting such dispute.

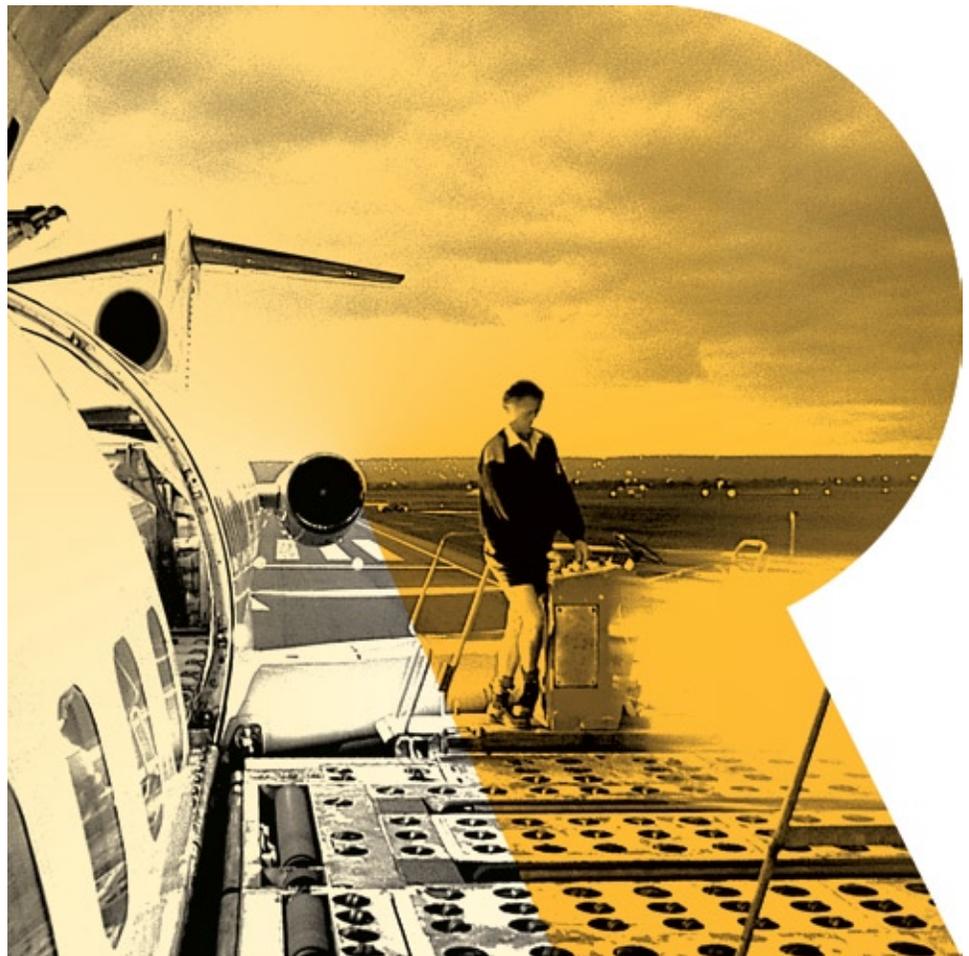
Status-quo conditions must be maintained throughout the period that the PEB is impaneled and for 30 days following the PEB report to the President. If no agreement is reached, and there is no intervention by Congress, the parties are free to engage in self-help 30 days after the PEB report to the President.

Apart from the emergency board procedures provided by Section 160 of the RLA, Section 159A (Section 9a) provides special, multi-step emergency procedures for unresolved disputes affecting publicly funded and operated commuter railroads and its employees. If the Mediation procedures are exhausted, the parties to the dispute or the Governor of any state where the railroad operates may request that the President establish a PEB. The President is required to establish such a board if requested. If no settlement is reached within 60 days following the creation of the PEB, the NMB is required to conduct a public hearing on the dispute. If there is no settlement within 120 days after the creation of the PEB, any party or the Governor of any affected state, may request a second, final-offer PEB. No Self-Help is permitted pending the exhaustion of these emergency procedures.

OVERVIEW OF FISCAL YEAR 2010

During fiscal year 2010, there were no Presidential Emergency Boards.

REPRESENTATION THE OFFICE OF LEGAL AFFAIRS MANAGES REPRESENTATION ISSUES AND CONDUCTS ELECTIONS FOR THE PURPOSE OF DETERMINING COLLECTIVE-BARGAINING REPRESENTATIVES IN THE AIRLINE AND RAILROAD INDUSTRIES. THE GENERAL COUNSEL ALSO SERVES AS LEGAL COUNSEL FOR THE NMB.



FUNCTIONS

Under the Railway Labor Act (RLA), employees in the airline and railroad industries have the right to select a labor organization or individual to represent them for collective bargaining. Employees may also decline representation. An RLA representational unit is “craft or class,” which consists of the overall grouping of employees performing similar types of related duties and functions. The selection of a collective bargaining representative is accomplished on a system-wide basis, which includes all employees in the craft or class anywhere the carrier operates in the United States. (An application for a representation investigation may be obtained from the Legal Affairs/Representation section of the Agency’s web site at www.nmb.gov.)

If a showing-of-interest requirement is met, the NMB continues the investigation, usually with a secret Telephone/Internet election. Only such employees that are found to be eligible to vote by the NMB are permitted to participate in such election. The NMB is responsible for determining RLA jurisdiction, carrier status in mergers, and for ensuring that the requirements for a fair election process have been maintained without “interference, influence or coercion” by the carrier. If the employees vote to be represented, the NMB issues a certification of that result which commences the carrier’s statutory duty to bargain with the certified representative.

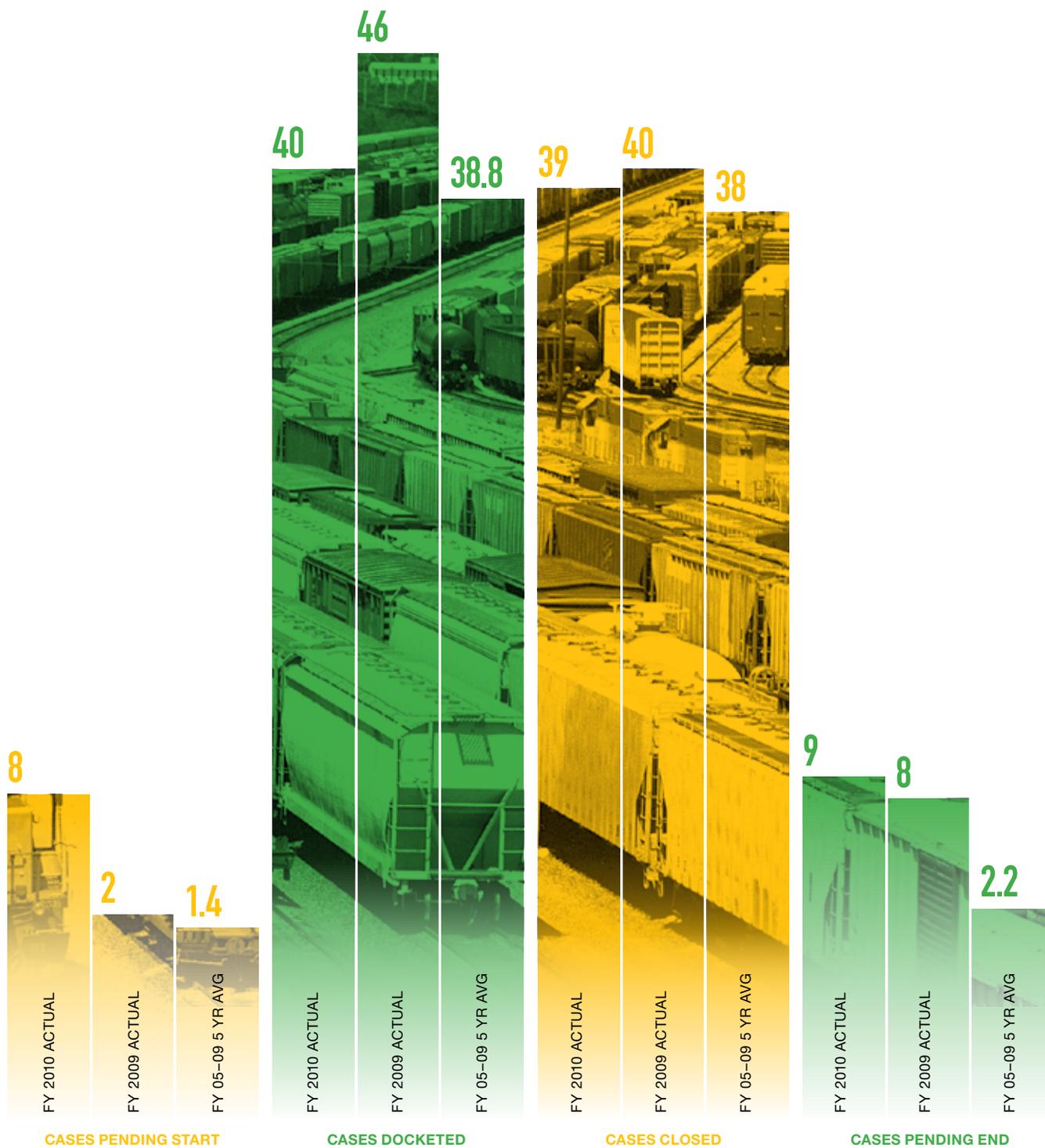
OVERVIEW OF FISCAL YEAR 2010

The NMB Office of Legal Affairs (OLA) continues to operate at a high level of quality and efficiency. As a review of customer service and performance standards will attest, the Agency’s Representation program consistently achieves its performance goals, delivering outstanding services to the parties and the public.

The OLA staff closed and docketed an almost equal number of cases during this year (39 closed; 40 docketed). Effective July 1, 2010, the Board changed its voting procedures to add a “No” option and to provide that the majority of votes cast will determine the outcome of an election. Since that change went into effect, several large representation cases were filed recently including three single carrier applications involving 20,500 Flight Attendants, 16,500 Passenger Service Employees, and 14,000 Fleet Service Employees at Delta Airlines/Northwest Airlines. Additionally, OLA anticipates many additional representation cases involving large numbers of employees by the end of FY 2010 and FY 2011. With the Agency resources requested for 2011 and 2012, it is estimated that 52-54 representation cases will be investigated and resolved in each year.

**REPRESENTATION
 CASES**

The following chart reflects actual case numbers for FY 2010 and FY 2009 and a five-year Average.



HIGHLIGHTS DURING FISCAL YEAR 2010

Under the RLA, the selection of employee representatives for collective bargaining is accomplished on a system-wide basis. Due to this requirement and the employment patterns in the airline and railroad industries, the Agency's representation cases frequently involve numerous operating stations across the nation. In many instances, labor and management raise substantial issues relating to the composition of the electorate, jurisdictional challenges, allegations of election interference, and other complex matters which require careful investigations and ruling by the NMB.

Representation disputes involving large numbers of employees generally are more publicly visible than cases involving a small number of employees. However, all cases require and receive neutral and professional investigations by the Agency. The NMB ensures that the employees' choices regarding representation are made without interference, influence or coercion. The case summaries that follow are examples of the varied representation matters which were investigated by the NMB during FY 2010.

NJI, INC./ NETJETS AVIATION, INC./AFA

On November 5, 2009, the Association of Flight Attendants – CWA, AFL-CIO (AFA) filed an application alleging a representation dispute involving the Flight Attendants on NJI, Inc. (NJI). On November 20, 2009, NetJets Inc. (NetJets or Carrier) raised system issues asserting that NJI and NetJets Aviation, Inc. (NJA) operated as a single transportation system. On November 30, 2009, the International Brotherhood of Teamsters (IBT) notified the Board that it wished to be included as a participant in the Board's investigation. The Board requested position statements and additional information in response to the Carrier's assertion that NJI and NJA were operating as a single transportation system.

The AFA took the position that NJI and NJA did not constitute a single transportation system. In the IBT's initial position statement, the IBT agreed with the AFA and stated that NJI and NJA did not constitute a single transportation system for the Flight Attendant craft or class. In a subsequent submission, the IBT stated that, upon review, there had been a substantial integration of operations, financial control, and labor and personnel functions at NJA and NJI such that a single transportation system should be found to exist for the craft or class of Flight Attendants.

The Board noted that although NJI and NJA have one Chairman and sole Director and are run by a common management team, they: maintain separate corporate headquarters; have their own Chief Pilot and Chief Flight Attendant; wear distinct uniforms with distinct employee badges; have their own websites; and applicants for positions apply through the designated web address or mail address. The Board also stated that NJI and NJA fly under two separate operating certificates with separate flight crews. The Board noted that this fact strongly supported the Board finding separate transportation systems. The Board continued, "Although NJI and NJA have announced an integration date of November 21, 2010 for completing consolidation, only the pilots will be covered under a single collective bargaining agreement. There is no plan in place for integration of the flight attendants." The Board also noted that owners book flights through a single "owner services" function and although service for owners can be fulfilled by either NJI or NJA, NJI flight attendants cannot fly on NJA aircraft, or vice versa. Additionally, the Board stated that the livery and aircraft numbers on NJI and NJA were similar, but not the same. Finally the Board stated that flight manuals and personnel policies were being integrated, but remained separate at the time the application was filed.

Based on these facts, the Board found that there was insufficient evidence of operational integration to find that NJI and NJA operated as a single transportation system. The Board also stated that future changes on NJI and NJA may lead to a different result.

Chairman Dougherty dissented stating that NJI and NJA had completed consolidation of the following functions: labor relations, human resources, financial, legal, sales and marketing, information technology, purchasing, aircraft acquisition, and owner services. Dougherty noted that the only two details not supporting a finding of total integration were the existence of separate operating certificates and the fact that flight attendants had not been integrated. Dougherty stated that these facts did not dictate a finding that NJI and NJA did not operate as a single carrier. The Chairman also stated that the lack of a single operating certificate was not dispositive and noted that the Board frequently finds the existence of a single carrier in spite of separate operating certificates. Based on the evidence, the Chairman stated that NJI and NJA met the Board's test for a single operating system.

The Board conducted an election among the Flight Attendants at NJI on July 14, 2010.

**CHAUTAUQUA AIRLINES/SHUTTLE AMERICA/REPUBLIC AIRLINES/MIDWEST AIRLINES/
FRONTIER AIRLINES/LYNX AVIATION/IBT/AFA**

On September 14, 2009, the IBT filed an application alleging a representation dispute involving the craft or class of Flight Attendants and requested the Board investigate whether Chautauqua Airlines (Chautauqua), Shuttle America (Shuttle), Republic Airlines (RA), and Midwest Airlines (Midwest) were operating as a single transportation system known as Republic Airways Holdings, Inc. (Republic) for the craft or class of Flight Attendants. On October 2, 2009, the AFA filed an application to represent the craft or class of Flight Attendants at Frontier Airlines (Frontier). The application was combined with the IBT's and the Board considered whether Chautauqua, Shuttle, RA, Midwest, Frontier, and Lynx Aviation (Lynx) were a single transportation system known as Republic. Although Lynx was not included in AFA's application, it is a wholly-owned subsidiary of Republic and was acquired as part-and-parcel of the acquisition of Frontier.

At the time the applications were filed, all Chautauqua, Shuttle, and RA Flight Attendants were covered by one collective bargaining agreement (CBA) between the IBT and Republic, and were all subject to one seniority list. Also at the time the applications were filed, the Flight Attendants at Midwest Airlines were represented by the AFA.

On September 24, 2009, the Board received notice of the pending acquisition of Frontier and Lynx by Republic with Republic as the surviving entity. According to the notice: "Frontier and Lynx will thus become subsidiaries of Republic, along with its other airline subsidiaries, Chautauqua Airlines, Republic Airlines, Shuttle America, and Midwest. The projected date of closing for the transaction is October 1, 2009."

On September 29, 2009, AFA filed a position statement opposing the IBT's application.

The IBT urged the Board to find that Chautauqua, Shuttle, RA, Frontier, and Lynx were operating as a single transportation system. The IBT argued that all subsidiaries were wholly owned by Republic, but each was a separate corporate entity with its own FAA operating certificate. According to IBT, the entities were operating as a single transportation system as evidenced by substantial operational integration, common control and ownership, and combined management and labor relations.

The IBT contended that Midwest was effectively extinguished as it ceased all operations as of November 3, 2009, and its FAA operating certificate was reissued as Republic d/b/a Midwest Airlines (MWA). Therefore, the IBT argued that Midwest was not part of Republic's single transportation system. IBT stated that, unlike Midwest, Frontier and Lynx would retain their FAA operating certificates and would be operating subsidiaries

of Republic. IBT refutes AFA's contention that Frontier's status as a "low-cost mainline carrier" and Chautauqua/Republic/Shuttle's status as "regional carriers" prevents a single system finding.

AFA argued that it was premature to include Midwest in Republic's single transportation system and Midwest had not yet merged with Republic with respect to crew staffing, labor relations, aircraft markings, or for any other operational purposes. As of late September, AFA contended that Flight Attendants on the respective carriers were wearing different uniforms; the markings on the aircraft had not yet been integrated; and no seniority lists had been merged. In addition, the AFA asserted that Midwest Flight Attendants continued to work subject to the AFA/Midwest CBA, while Republic's Flight Attendants were working under their respective CBA. The AFA also disagreed with the Board's decision to consolidate the Frontier application with the Midwest/Republic matter and submitted that the Frontier election should be immediately processed as a separate representation dispute.

The AFA contended that Frontier and Lynx were separate airlines, flying under distinct markings/liveries, and under separate FAA operating certificates. The AFA asserted that since the acquisition of Frontier/Lynx, operations had not been consolidated with Republic except for labor relations oversight. Finally, the AFA asserted that Frontier and the Republic carriers were inappropriate for merger as Republic's subsidiaries were not flown under a common brand or livery, and Frontier/Lynx publicly would operate "in a similar manner" as they did pre-merger.

Republic stated that Midwest as a carrier was dissolved and RA replaced the aircraft operations of Midwest using current assets and was now operating as MWA. Further, Republic argued that the single carrier currently composed of Chautauqua, Shuttle, and RA (now MWA) would continue to exist in its current form. In addition, Republic stated that the former Midwest Flight Attendants had seniority integration rights and a place on the Republic Flight Attendant seniority list, even though their placement had not yet been determined. Therefore, Republic maintained that the former Midwest Flight Attendants were eligible voters and should be included within the craft or class of Flight Attendants when the Board determined the showing of interest requirement in this matter.

Republic argued that Frontier and Lynx had become part of its single system of subsidiaries including Chautauqua, Shuttle and MWA. Republic stated that Frontier and Lynx would continue to operate under their separate FAA operating certificates just as Chautauqua, Shuttle, and MWA do. Republic also stated that management, operations, and labor relations at Frontier/Lynx would be integrated as with Republic's other subsidiaries. Republic noted that while flights and marketing would be integrated to allow code-sharing between Republic subsidiaries and Frontier/Lynx, flights would still be marketed under the Frontier/Lynx brand, Flight Attendants would continue to wear Frontier/Lynx uniforms, and planes would still fly under the Frontier/Lynx distinctive wildlife liveries. Finally, Republic asserted that the seniority list of Frontier and Lynx Flight Attendants would be integrated into the joint Republic Flight Attendant seniority list.

The Board found: all subsidiaries were wholly owned by Republic, but each held its own FAA operating certificate; the Boards of Directors of all the subsidiaries were comprised of the same individuals; labor relations and HR functions at all of Republic's subsidiaries were controlled by the same individual; and management at all of Republic's subsidiaries was integrated and has reporting responsibilities to senior management at Republic. The Board stated that this type of consolidation of senior managers, personnel functions and labor relations are often indicia of single transportation systems.

The Board stated that there had been some progress towards an operational merger in terms of the employee groupings, including: the Flight Attendants at Chautauqua, Shuttle and RA were operating from a central seniority list, CBA, and side-letter; meetings had been conducted in an attempt to integrate the Flight Attendants from Midwest, Frontier, and Lynx into the Republic Flight Attendant seniority list, and Republic contended that all former Midwest Flight Attendants would be given seniority integration rights; all customer service employees for all the Republic carriers had been placed on a merged seniority list; and all customer service functions were consolidated at Frontier. The Board noted that the procedural processes for integrating the Frontier and Lynx Pilots with the Republic Pilot's seniority list had been agreed upon and negotiations were underway. The Board stated that delaying a finding of a single transportation system until CBAs were in place, if supported by other factors, was contrary to the RLA's purposes of promoting labor stability.

The Board found that Republic centrally coordinated and controlled issues involving aircraft acquisitions, distribution, and allocation among its subsidiaries. The Board also stated that: the subsidiaries were held out as one carrier on Republic's website; the employees were subject to the same operational policies and most labor relations policies; prospective Chautauqua, MWA, and Shuttle employees all applied to jobs through one universal forum, at RJET.com; Republic was rationalizing marketing and code-sharing between its affiliated carriers, so that two-segment trips could be booked on Frontier, Lynx, or MWA; and frequent flyer programs were linked so that miles could be earned or redeemed on MWA, Frontier, or Lynx. The Board noted that while Frontier/Lynx continued to operate its own job website, open positions were also posted at RJET.com and were linked from Midwest's website. The Board also noted that while Republic's subsidiaries did not fly under a common livery or with common uniforms, this was typical of an operation which provided mainly code-share service.

The Board found that Republic exercised sufficient common control over its subsidiaries, Chautauqua, Shuttle, and MWA to form a single transportation system for representation purposes. The Board also stated that there was insufficient evidence of operational integration to find Frontier and Lynx part of the Republic single system.

Chairman Dougherty concurred in part and dissented in part. Dougherty agreed with her colleagues' decision finding Chautauqua, Shuttle, and MWA a single transportation system known as Republic. However, Dougherty disagreed with her colleagues' decision not to include Frontier and Lynx as part of the Republic system. Dougherty asserted that the cases and pertinent facts presented by the Board which supported Chautauqua, Shuttle, and MWA's inclusion in the single system, also supported the inclusion of Frontier and Lynx.

According to Dougherty, the only discernable difference between facts supporting the Chautauqua, Shuttle, MWA single carrier determination and the Frontier/Lynx situation was that Republic acquired Frontier and Lynx on October 1, 2009, and acquired Midwest on July 31, 2009. Dougherty also stated that due to the significant factual developments involving the subsidiaries of Republic, she would support requesting additional briefing from the participants about recent developments that may support or detract from finding a single transportation system.

On April 6, 2010, the Board extended the IBT's certification to include all Flight Attendants in Republic's single transportation system.

NORTHWEST AIRLINES, INC/ DELTA AIR LINES, INC./IAM

On August 13, 2009, the International Association of Machinists and Aerospace Workers, AFL-CIO (IAM) filed an application alleging a representation dispute involving the craft or class of Flight Simulator Technicians (Simulator Technicians or Sim Techs) at Northwest Airlines, Inc. (Northwest). The IAM requested the Board to investigate whether Delta Air Lines, Inc. (Delta) and Northwest (collectively the Carriers) were operating as a single transportation system. In addition, the Board was asked to determine the proper craft or class for Simulator Technicians.

The IAM asserted that Delta and Northwest were a single carrier for the craft or class of Simulator Technicians. The IAM contended that the Board's trend is to find Simulator Technicians as a stand-alone craft or class, because of the evolving and computer-based skill set required of Sim Techs. In addition, the IAM stated that the history at Northwest and Delta supported a finding of a single craft or class rather than combining the Sim Techs with the Mechanics and Related Employees craft or class.

The Carriers took the position that Simulator Technicians are traditionally part of the Mechanics and Related Employees craft or class and contested the IAM's characterization that both Northwest and Delta have historically treated their Simulator Technicians as a separate craft or class. The Carriers noted that the Board's January 7, 2009 decision found that, following its acquisition of Northwest on October 29, 2008, Delta had achieved common ownership, common management, and common control of labor relations. The Carriers asserted that since that decision, Delta integrated operations, policies, and procedures.

As the Carrier stated, in January 2009, the Board determined that Delta and Northwest operate as a single transportation system for the crafts or classes of Flight Deck Crew Members, Flight Dispatchers, and Meteorologists. Delta Air Lines, Inc./Northwest Airlines, Inc., 36 NMB 36 (2009). The Board found that the corporate merger of Delta and Northwest was complete and the Carriers continued to move inexorably forward to form a single system. Therefore, the Board found that Delta and Northwest were operating as a single transportation system.

In the instant case, the Board found that the Sim Techs at Northwest were historically treated as a separate grouping from the Mechanics and Related Employees craft or class. The Board noted that Sim Techs were not required to have an A & P license, and were not subject to federal licensing requirements or drug testing, as most of their Mechanics and Related counterparts were. The Board also stated that while Delta's Sim Techs were unrepresented, they were treated as a separate craft or class from the Mechanics and Related Employees.

The Board stated that the IAM and Northwest entered into a pre-merger CBA covering Flight Simulator Technicians and Simulator Support Specialists. The Board also noted that Simulator Techs were not included in the January 21, 2009 Northwest/Delta Seniority Integration Agreement for Technician & Related Employees (covering Mechanics and Related Employees). On June 1, 2009, Delta's Simulator Technicians Seniority Integration Committee proposed its own integration proposal limited exclusively to Simulator Technicians from Delta and Northwest. The Board found that these merger agreements were further evidence that the Carriers viewed Simulator Technicians as a separate craft or class from the Mechanics and Related Employees.

The Board stated that as flight simulators become increasingly sophisticated, the skill set of Simulator Technicians changed and diverged from that of Mechanics and Related Employees. The Board found that Simulator Technicians: worked with Pilots on a daily basis; had little or no interaction with Aircraft Maintenance Technicians (AMT) and other Mechanics and Related Employees; received training in the military or at flight simulator technical schools; had different training and licenses than AMTs; worked in different physical locations; and reported to different supervisors than the Mechanics and Related Employees. Finally, the Board noted that both Northwest and Delta have treated Simulator Technicians as a separate craft or class from the Mechanics and Related Employees. The Board acknowledged that while there was some conflicting Board precedent, the current trend in Board decisions and the history at the merged properties supported a finding of a separate craft or class of Flight Simulator Technicians.

Based on the evidence presented, the Board found that Simulator Technicians at the Carriers were properly a separate craft or class, as they did not share a “functional” community of interest with the Mechanics and Related Employees craft or class.

**THE OFFICE OF ARBITRATION SERVICES MAN-
AGES THE RESOLUTION BY ARBITRATION OF
GRIEVANCE DISPUTES OVER EXISTING COLLEC-
TIVE BARGAINING AGREEMENTS PER STATUTORY
AUTHORITY UNDER “SECTION 3” OF THE RAIL-
WAY LABOR ACT (RLA). THE RLA PROVIDES
FOR BOTH GRIEVANCE ARBITRATION AND
INTEREST ARBITRATION.**



FUNCTIONS

GRIEVANCE ARBITRATION

Grievance Arbitration is a process for resolving disputes regarding the interpretation or application of an existing collective bargaining agreement. Grievances, known as “minor disputes” under the RLA, must be handled through Grievance Arbitration if not otherwise resolved, and cannot be used by the parties to trigger self-help actions.

The NMB has significant administrative responsibilities for the three types of grievance arbitration in the railroad industry. These types include those of the National Railroad Adjustment Board as well as arbitration panels established directly by the labor-management parties at each railroad: Public Law Boards and Special Boards of Adjustment. Grievance Arbitration in the airline industry is accomplished at the various System Boards of Adjustment created jointly by labor and management at the parties’ expense.

The NMB furnishes panels of prospective arbitrators for the parties’ selection in both the airline and railroad industries. (A request to be placed on the NMB Roster of Arbitrators may be obtained from the Board’s web site at www.nmb.gov. See Forms on the Documents page.) The NMB also has substantial financial responsibilities for railroad arbitration proceedings in that it pays the salaries and travel expenses of the arbitrators. Grievance Arbitration decisions under the RLA are final and binding with very limited grounds for judicial review.

INTEREST ARBITRATION

Interest Arbitration is a process to establish the terms of a new or modified collective bargaining agreement through arbitration, rather than through negotiations. Although the RLA provides an effective process for Interest Arbitration, its use is not statutorily required.

The NMB offers the parties the opportunity to use binding Interest Arbitration when the Agency has determined that further Mediation efforts will not be successful. In addition, the parties may directly agree to resolve their collective bargaining dispute or portions of their dispute through Interest Arbitration.

The NMB generally provides the parties with panels of potential arbitrators from which they select an individual to resolve their dispute; in some instances however, the parties agree to allow the NMB to directly appoint an arbitrator. Interest Arbitration decisions are final and binding with very narrow grounds for judicial appeal.

OVERVIEW OF FISCAL YEAR 2010

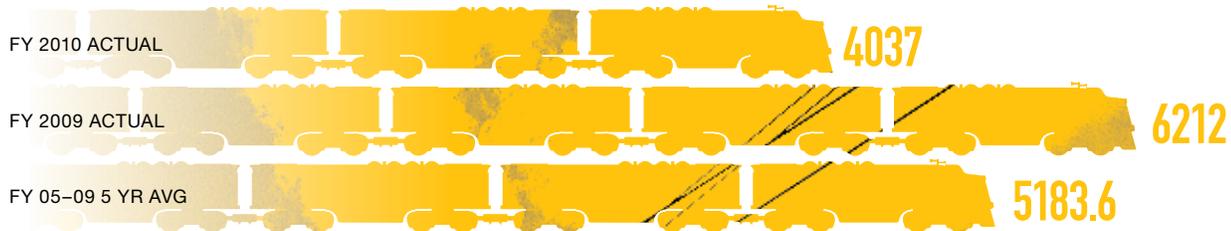
The Office of Arbitration Services directed its attention to promoting a more efficient Section-3 process, thereby fostering faster resolution of minor disputes (grievances). The NMB made a well received move in this regard during FY 2010 by targeting the backlog of grievance arbitration cases for resolution and increasing the number of arbitrators available to hear and decide cases. Grievance Mediation was also actively promoted as an alternative to arbitration. The Office of Arbitration Services closed the largest number of cases since fiscal year 2000. The number of cases pending at the end of this fiscal year – 2,770 cases – is the lowest in recent NMB history. This figure was less than the 2007 pending figure by over 1,000 cases.

The NMB Arbitration program completed its efforts to modernize with the new case management system. Document and records management was modernized at the National Railroad Adjustment Board (NRAB) with the conversion of all records to an electronic system. The use of online dispute resolution was actively and successfully promoted at the NRAB.

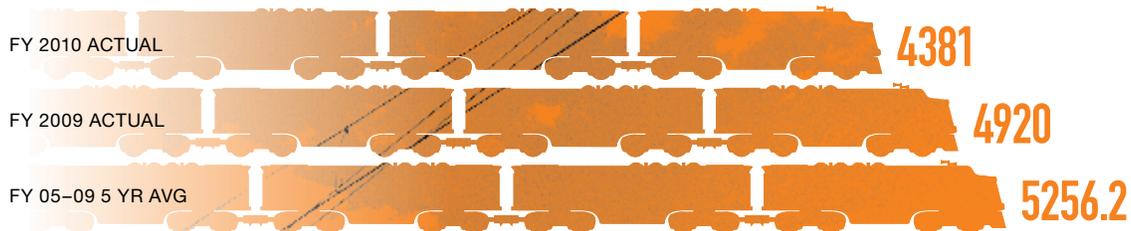
**ARBITRATION
CASES**

The following chart reflects actual case numbers for FY 2010 and FY 2009 and a five-year Average.

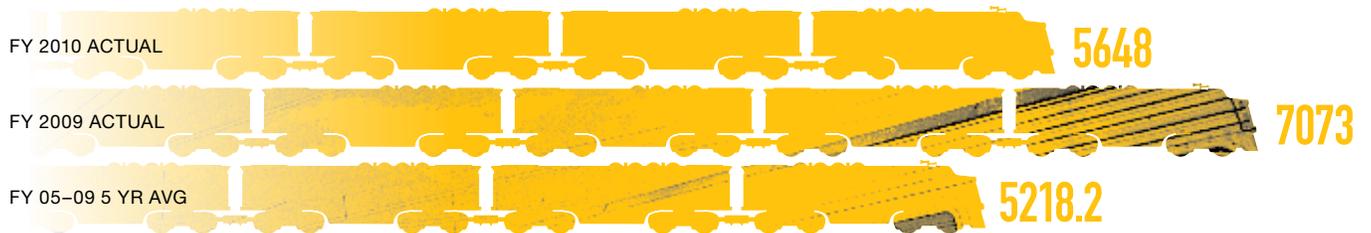
CASES PENDING START



CASES DOCKETED



CASES CLOSED



CASES PENDING END



HIGHLIGHTS DURING FISCAL YEAR 2010

SECTION 3 PROCESS

On several occasions during the fiscal year, the Agency met with representatives from the labor organizations and carriers to review its caseload. Carriers included Canadian National Railroad, Norfolk Southern Corporation, Union Pacific Railroad and CSX Transportation. The Office of Arbitration Services met with all of the labor organizations representing employees in the railroad industry. NMB efforts have been directed to facilitating a more efficient Section 3 process, thereby reducing the backlog and promoting the RLA objective of prompt resolution of minor disputes.

The NMB continued its efforts designed to improve the arbitration of grievances under Section 3 of the Railway Labor Act. The Board had five ambitious goals for this transformation: (1) to ensure that the parties receive timely and outstanding arbitration services from the Board's staff and its contracted arbitrators; (2) to ensure that the Board uses e-business capabilities to the maximum extent possible; (3) to ensure that Board procedures are improved through a rulemaking process involving public input; (4) to ensure that arbitrators schedule, hear, and decide cases in a timely manner; and (5) to ensure that NMB resources are used wisely and in accordance with Federal regulations and sound accounting practices.

ANNUAL CASE AUDIT

In June 2010, the NMB conducted an intensive audit of all cases pending before public law boards and special boards of adjustment. The Agency provided the Class I freight railroads, commuter railroads, regional railroads and all labor organizations representing railroad employees with a list of cases pending on these boards. The NMB asked the parties to report any discrepancies between their records and the Agency's list. The audit was conducted electronically. The feedback from the audit enhanced the accuracy of the NMB case management system.

ALTERNATIVE DISPUTE RESOLUTION IN THE RAILROAD INDUSTRY

The NMB actively promoted grievance mediation as an alternative means to arbitration for dealing with grievances in the railroad industry by reaching out to the largest Class I freight carriers and the labor organizations. During FY 2010, Arbitration Services made presentations at Canadian National, Union Pacific Railroad, CSX Transportation and to several officials of the United Transportation Union promoting grievance mediation as a means of resolving disputes. The NMB anticipates continuing this initiative during FY 2011.

INCREASING ARBITRATOR PRODUCTIVITY

The NMB continued its efforts to increase arbitrator productivity through rigorous enforcement of the six-month rule. Arbitrators who have not issued a decision within six months of a hearing are contacted monthly and encouraged to issue those decisions. Approximately 86% of all decisions are rendered within six months of the hearing.

ARBITRATOR TRAINING

This year the NMB commenced arbitrator training projects with two Class-I freight railroads which will result in a substantial number of new arbitrators being introduced to railroad arbitration.

ARBITRATORS' CASELOAD REPORT

The Agency improved its already successful program of using the NMB website as a source for many of the forms and documents needed by arbitrators and the parties. The NMB used the website to keep the parties and the public informed regarding Section 3 activities. Arbitrators, parties, and the public use the website to obtain information and forms instantaneously. The agency developed an Arbitrators' Caseload Report and

posted a link to the Report on the NMB website. The report shows by arbitrator, grievance cases of railroad employees the parties have chosen to pursue. It also indicates whether a case is late (i.e., a decision has not been rendered within 6 months of when a case was heard by the arbitrator). The Arbitrators' Caseload Report is real-time in that it has a direct link to an NMB database reflecting updates as they are made by Arbitration Services staff. The availability of information on the website reduces the staff time which ordinarily would be required to respond to questions and requests.

AGED CASES

In March 2010, the Board commenced a review of all open cases on public law boards (PLB) and special boards of adjustment (SBA) which were five years and older. The Board worked with the parties to obtain the status of the cases and to encourage the parties to either settle the cases or schedule the cases for hearing. As a result, the Board was able to close the overwhelming majority of the cases and have the remaining few scheduled for hearings. With the exception of the few scheduled for hearings, the Board was able to clear its records of all cases over five years.

The NMB has also contacted the National Railroad Adjustment Board (NRAB) to obtain the status of their cases that are five years or older. This project is ongoing and is expected to lead to a reduction of old cases at the NRAB in fiscal year 2011.

PAY PER CASE PROJECT

During FY 2010, the NMB expanded a project in which arbitrators were paid on a per-case basis, instead of the normal per-day compensation. The NMB established approximately 25 per-case public law boards with two labor organizations. The project will be evaluated during the next fiscal year.

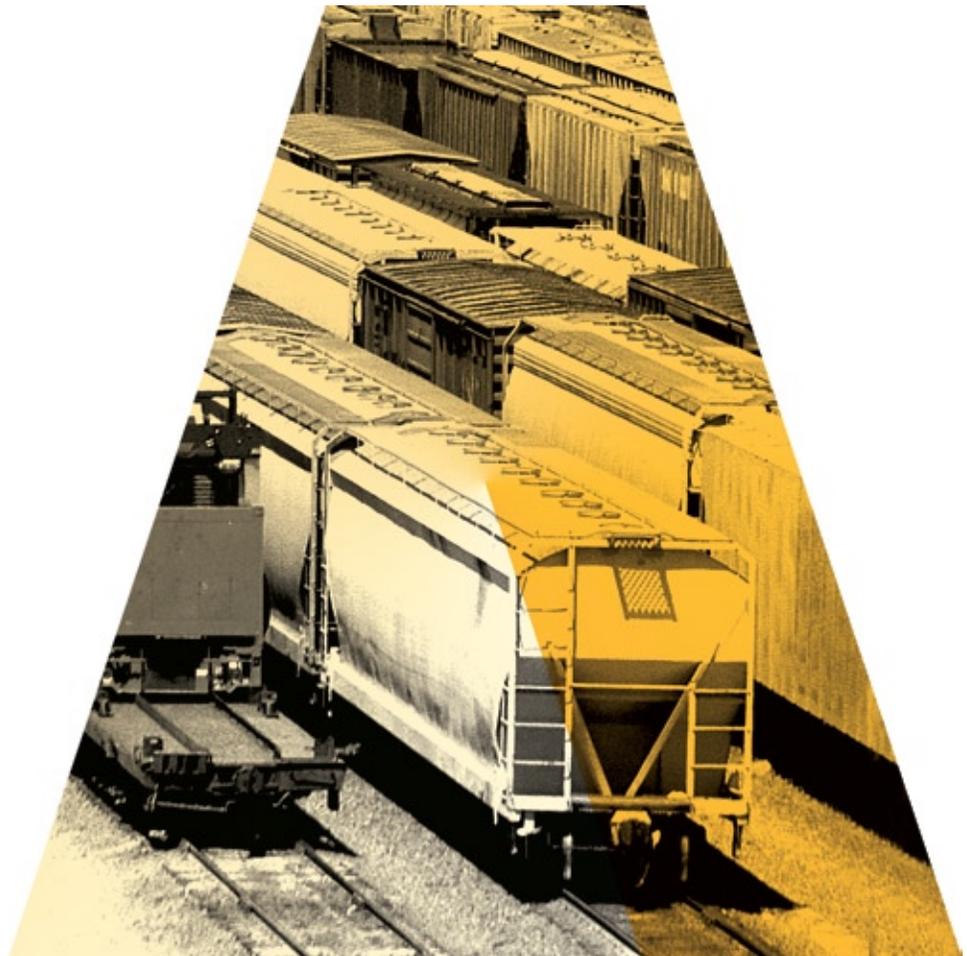
CASE BACKLOG

The National Mediation Board increased its efforts to work with the parties to further reduce the general backlog of cases. A backlog of 5,551 cases at the beginning of FY 2008 has been reduced to approximately 374 cases.

KNOWLEDGE STORE

This year the NMB expanded its use of technology at the NRAB. All NRAB awards are entered into the Knowledge Store at the same time that they are distributed to the parties. All NRAB awards are distributed to the parties electronically. Thus awards are received in some instances, 24 hours after they have been adopted by the NRAB.

ADMINISTRATION THE DIRECTOR OF THE OFFICE OF ADMINISTRATION (OA), ALONG WITH SEVEN STAFF MEMBERS, FACILITATE NMB ACHIEVEMENT OF INTERNAL STRATEGIC GOALS AND GOVERNMENT-WIDE INITIATIVES.



FUNCTIONS

The Office of Administration (OA) provides operational management for the entire NMB. These services include: strategic planning and budgeting; accounting and finance; human resources management; procurement and contracting; information technology management and telecommunications; property and space management; and office support.

OVERVIEW OF FISCAL YEAR 2010

The Office of Administration provided leadership and management support for the following initiatives:

HUMAN CAPITAL

The NMB finalized its Human Capital Plan which outlines the Board's strategic human capital direction for forecasting its staffing requirements. The succession plan identifies the areas that the agency needs to review to ensure continuity of leadership and knowledge for the future. The NMB continues to use the results from the human capital survey and audit to make improvements in the human resources area. The NMB prepared its first Human Capital Management Report which provides a vehicle for ensuring that previously established objectives are assessed and reported on, accomplished objectives are noted, and that future goals are tracked for continuous improvement.

In accordance with the OPM regulations on hiring reform, the NMB prepared its hiring model timeline. Based upon the timeline, the NMB completes its hiring process within 96 days of which 35 days are for obtaining the background investigation. We continue to review ways to reduce our processes so that we can achieve the 80 day requirement. In addition, the NMB has implemented the USAStaffing system. This system enables the electronic submission of resumes and supporting documentation.

The NMB adopted the E-verify three-day process to provide assurance that new appointees are eligible to work. The NMB conducts a new employee survey consistent with OPM regulations. The results of the survey are used to help strengthen the Human Resources hiring process. The NMB is also collecting data to use in developing the agency Employee Wellness Plan in compliance with the Work-Life initiative requirement.

The NMB uses its DEU certified staff along with services provided by the General Services Administration to deliver the full range of human resources support and payroll services to our employees.

In accordance with the President's Hiring Reform, the NMB has transitioned to the USA Staffing system which allows for electronic submission of applications for positions within the agency. In addition, we revamped our vacancy announcements in accordance with the five page length. This was achieved by using links to information which ensured that the information was always up-to-date.

INFORMATION TECHNOLOGY

The Board continues to benefit from its outsourcing decision. With the backing and support of an entire company, the NMB is able to keep abreast of the many and constant technological changes. The NMB has completed the implementation of the Trusted Internet Connections (TIC) to ensure NMB security with the external internet connection. In addition, the NMB has completed the transition of the WITS 2003 and is in the process of NetWorx transition.

CONTINUITY OF OPERATIONS

The NMB has participated in the Eagle Horizon 2010 National exercise. Based upon the results of the exercise, the NMB received 10 Green; 3 Yellow, (Budgeting and Acquisition of Resources; Vital Records Management; Test, Training and Exercise Program; and 1 Red (Delegations of Authority). We are using the results to update our continuity of operations plan and the related processes.

FINANCIAL PERFORMANCE

The NMB's accounting system, GLOWS, meets all the current financial requirements. This system enables the agency to close its monthly financial records within one business day. The agency's budget is spread out among three program areas which are consistent with the agency's strategic and performance goals. The costs for all the other departments within the agency are accounted for separately in the accounting system to further provide detail accounting of program costs.

The Office of Administration provides budget planning, budget development, and oversight of budget execution. In addition, OA is responsible for the maintenance of the Agency's core accounting system; financial reporting to the Office of Management and Budget (OMB) and Treasury; payments to vendors for goods and services received; issuing bills; and the preparation of the Agency's financial statements which are audited on an annual basis.

The NMB continues to work with an outside audit firm to audit its financial statements. The audit results are included in this NMB Performance and Accountability Report which is posted on the agency's website at www.nmb.gov.

ELECTRONIC GOVERNMENT

The agency provides electronic access to all its policies. This allows our internal customers to have quick access to all agency policies at their finger tips.

The NMB continues to use its website to provide information to its internal and external customers. The website provides access to our internal customers by allowing them to access the NMB internal forms. Also the website and our online Knowledge Store provide current and historical information to the public and our external customers.

SUSTAINABILITY

We are committed to reducing green house gases in accordance with Executive Order 13514 (E.O.). During this year, we noted that 63 percent of the NMB employees use public transportation. The Agency provides Alternative Work Schedules (AWS) and Telework programs to its employees. Currently, 12 employees use AWS and 23 employees Telework at least one day a week. These efforts are assisting the agency with reaching the objectives outlined in the E.O.

PERFORMANCE PLAN & RESULTS THIS REPORT CONTAINS FY 2010 ACCOMPLISHMENTS OF THE NATIONAL MEDIATION BOARD RELATING TO GOALS AND OBJECTIVES FOR MEDIATION, ALTERNATIVE DISPUTE RESOLUTION, REPRESENTATION, AND ARBITRATION. THESE ACCOMPLISHMENTS ENABLED THE NMB TO MEET ITS STATUTORY OBLIGATIONS AND PROVIDE SERVICES TO ITS AIRLINE AND RAILROAD LABOR, MANAGEMENT AND PUBLIC CUSTOMERS.



**GENERAL GOAL 1
MEDIATION**

The Office of Mediation Services (OMS) will continue to foster the prompt and peaceful resolution of collective bargaining disputes in the airline and railroad industries.

- I. Continue to develop standard training for mediators to ensure they are kept abreast of the latest trends in mediation and gain additional industry and technical knowledge in both air and rail.**

Accomplishment Through the use of Individual Development plans each mediator participated in training and development that met their own needs. In addition, training covering industry specific topics and professional development was conducted during the bi-monthly mediator meetings.

- II. Better track the history of cases. Work with Arbitration and Representation to revise and improve the agency case management system.**

Accomplishment We continued to fine tune the capabilities of the new case management system producing specialty reports to help in workload planning.

**GENERAL GOAL 2
ALTERNATIVE DISPUTE
RESOLUTION (ADR)**

The Office of ADR Services will continue to undertake dispute resolution efforts that encourage the parties in the airline and railroad industries to resolve grievances and bargaining disputes in a voluntary, cooperative manner.

- I. Expand current ADR capabilities to address the changing labor environment in the airline and railroad industries and provide more varied assistance in dispute resolution both between and during contract negotiations.**

- a. Use outreach and promotion efforts to raise the visibility of the ADR program.**

Accomplishments ADRS continued to engage in outreach and promotion efforts with parties in the airline and railroad industries. The result of these efforts was a continued case load in special dispute resolution efforts, and ADR/ODR presentations to carriers, organizations, and professional associations.

- b. Review ADR services for potential deletions, additions, or changes.**

Accomplishments Each year ADRS conducts reviews of its programs, assessing existing training and service delivery. ADRS created the NMB Lyceum, a distance learning resource that helps reduce travel costs for GM training. Working with Arbitration, ADRS promoted expedited arbitration coupled with grievance mediation as an option for the parties. Also, ADRS continued conversion of the basic arbitration work processes to an automated system developed in conjunction with the Arbitration Services office.

- II. Implement and develop interagency projects with other labor and transportation agencies with the goal of enhancing labor-management relations in the airline and railroad industries.**

Accomplishments ADRS staff supported the Association of Labor Relations Agencies by managing the ALRA web site. ADRS offered consultation to STB, NARA, and Congress on the application of ODR technology to open government and e-government initiatives.

III. Engage in outreach and education programs to ensure that the NMB is seen as a world leader in airline and railroad labor-management issues and submit proposals for presentations at dispute resolution conferences.

Accomplishments ADRS staff members were involved in presentations to: the Association for Conflict Resolution (ACR), the ABA Section of Dispute Resolution, the Ninth International ODR Forum, the Interagency Dispute Resolution Working Group Steering Committee, ALI-ABA Conference on the Railway Labor Act, CSX/UTU arbitrator training and numerous dispute resolution and legal organizations.

**GENERAL GOAL 3
REPRESENTATION**

The Office of Legal Affairs (OLA) will promptly investigate representation disputes and definitively resolve representation status for collective bargaining purposes, using the most efficient and client-friendly methods available.

I. Expand the use of electronic systems to further streamline and reduce cost; continue to integrate Representation data into the agency Corporate Memory.

Accomplishment OLA implemented an electronic e-filing system for representation cases.

II. Develop outreach opportunities in the legal, labor relations and alternative dispute resolution communities. Submit proposals for participation in conferences sponsored by the American Bar Association (ABA). Develop appropriate CLE and other training opportunities for RLA practitioners.

Accomplishment OLA continued its outreach to the legal, labor relations and alternative dispute resolution communities. OLA attorneys helped plan the agenda for and were panelists at the ABA Railroad and Airline Labor Law Section's Mid-winter meeting as well as the ABA's Labor and Employment Annual CLE Meeting. The Association of Labor Relations Agencies recently held its annual conference and OLA played a significant role in planning this conference of leading labor relations practitioners.

III. Implement and maintain concise, relevant reference materials, readily available to the public and which reduce the number of man-hours used to research and respond to inquiries. Update and improve the material available on the NMB web site.

Accomplishment On September 17, 2010, the website was updated with a revised Representation Manual and revised frequently asked questions which reflected the change to the Board's voting rule.

IV. Maintain continuous industry and agency communication at a level that provides early preparation for Presidential Emergency Board management. Coordinate efforts with the Office of Mediation Services to identify potential cases which may lead to a Presidential Emergency Board.

Accomplishment The Office of Legal Affairs continually coordinates with the Office of Mediation Services to evaluate potential disruptions in the industry.

**GENERAL GOAL 4
ARBITRATION**

Arbitration will promote the prompt and orderly resolution of grievance disputes in the railroad and airline industries.

- I. Modernize and update procedures related to NRAB Section-3 cases and other arbitral forums (public law boards and system boards of adjustment). Conduct a business process review of NRAB case handling.**

Accomplishment NRAB administrative processes, as well as the procedures governing public law boards and system boards of adjustments, were reviewed with the goal of streamlining procedures.

- II. Foster a “best practices” approach to managing the contract-arbitrator roster. Move arbitrator roster information to a new case management system. Improve the guidelines for accepting applicants to the roster.**

Accomplishment The NMB instituted several projects to help the parties better utilize the NMB Roster of Arbitrators. One project involved CSX Transportation. Another project involved the Canadian National Railroad. An NMB Arbitrators’ Caseload Report was updated on the NMB website, along with the official Roster of Arbitrators.

- III. Foster a “best practices” approach to managing arbitrator billing and payment. Investigate and develop a more equitable and efficient arbitrator billing process.**

Accomplishment the NMB initiated and implemented several special compensation projects: (1) establishing more boards in which arbitrators were paid on a per-case basis and (2) increasing arbitrator compensation for cases heard using the NMB Online Video Conferencing Center (OVC). These projects will be evaluated in FY 2011.

- IV. Integrate current technology into the arbitration process. Continue to integrate Arbitration business processes into the NMB Corporate Memory program. Cooperate with Mediation, ADR, and Representation to improve the agency case-management system. Continue to encourage the parties to use the agency’s web-based video-conferencing system to reduce costs for arbitration hearings and adoption conferences.**

Accomplishment The NMB trained several arbitrators, railroad management officials and labor officials in the use of Online Video Conferencing, and several hearings were conducted using OVC during Fiscal Year 2010. OVC was used repeatedly at the National Railroad Adjustment Board.

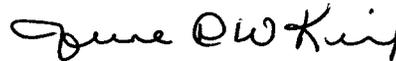
CFO LETTER

October 20, 2010

I am pleased to present the National Mediation Board's (NMB) Fiscal Year (FY) 2010 financial statements. These statements demonstrate the NMB's commitment to and accountability for the taxpayers' dollars entrusted to us. This report fulfills the requirements of the Reports Consolidation Act of 2000, the Chief Financial Officers Act, the Government Performance and Results Act, the Federal Managers' Financial Integrity Act, and the Government Management Reform Act.

For the thirteenth consecutive year, Almond & Company reported that the financial statements included in this report were presented fairly, in all material respects, and in conformity with the U.S. generally accepted accounting principles (GAAP) for Federal agencies. The prior-year recommendations for corrective actions have been resolved. A Government Accountability Office (GAO) decision regarding the obligation of funding for arbitrator salaries will necessitate a review of how funds are obligated for cases heard but not decided. This review will be conducted by the NMB during FY 2011.

The NMB continues to strive to maintain an environment in which program and financial managers work to ensure the integrity of financial information and use that information in decision making and performance measurement.



June D.W. King
**Director, Office of Administration and
Chief Financial Officer**

AUDIT REPORTS

September 30, 2010
ALLMOND & COMPANY, LLC
Certified Public Accountants
8181 Professional Place, Suite 250
Landover, Maryland 20785
(301) 918-8200

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INDEPENDENT AUDITOR'S REPORT

Board Members

National Mediation Board

We audited the accompanying balance sheet of the National Mediation Board (NMB) as of September 30, 2010, and the related statements of net cost, changes in net position, and statement of budgetary resources for the year then ended (the principal financial statements). These financial statements are the responsibility of NMB management and were prepared by NMB in accordance with Office of Management and Budget (OMB) Circular A-136, *Financial Reporting Requirements*, as amended. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with *Government Auditing Standards*, auditing standards generally accepted in the United States, and OMB Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the principal financial statements referred to above present fairly, in all material respects, the financial position of NMB as of September 30, 2010, and its net costs, changes in net position, and budgetary resources for the year then ended in conformity with accounting principles generally accepted in the United States.

We issued a draft of this report to NMB management and requested its comments. Management replied by indicating its general agreement with the audit results. In accordance with *Government Auditing Standards*, we issued separate reports dated October 20, 2010 on NMB's internal control and compliance with laws and regulations. Our reports on internal control and compliance are an integral part of an audit conducted in accordance with *Government Auditing Standards* and, in considering the results of the audit, those reports should be read together with this report.



ALLMOND & COMPANY, LLC

October 20, 2010
Landover, Maryland

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL

Board Members

National Mediation Board

We audited the accompanying balance sheet of the National Mediation Board (NMB) as of September 30, 2010, and the related statements of net cost, changes in net position, and budgetary resources for the year then ended (the principal financial statements) and issued our report thereon, dated October 20, 2010. We conducted our audit in accordance with *Government Auditing Standards*, auditing standards generally accepted in the United States, and Office of Management and Budget (OMB) Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*.

In planning and performing our audit, we considered NMB's internal control over financial reporting by obtaining an understanding of NMB's internal control, determining whether internal control had been placed in operation, assessing control risk, and performing tests of control to determine auditing procedures for the purpose of expressing our opinion on the principal financial statements. We limited internal control testing to that necessary to achieve the objectives described in OMB Bulletin No. 07-04. We did not test all internal control relevant to operating objectives as broadly defined by the Federal Managers' Financial Integrity Act of 1982, such as the internal control relevant to ensuring efficient operations. The objective of our audit was not to provide assurance on internal control. Consequently, we do not express an opinion on internal control.

With respect to internal control related to performance measures reported in NMB management's overview, we obtained an understanding of the design of significant internal control relating to the existence and completeness assertions, as required by OMB Bulletin 07-04. We also assessed control risk relevant to NMB intra-agency transactions and balances. Our procedures were not designed to provide assurance on internal control over reported performance measures, and accordingly, we do not express an opinion on such control.

Our consideration of internal control over financial reporting would not necessarily disclose all matters that might be reportable conditions. Under standards issued by the American Institute of Certified Public Accountants, control deficiencies exist when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency or a combination of control deficiencies, that adversely affects the NMB's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the NMB's financial statements that is more than inconsequential will not be prevented or detected.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected. Because of inherent limitations in internal control, misstatements, losses, or noncompliance may nevertheless occur and not be detected.

In our fiscal year 2010 audit, we noted one matter described in Exhibit I that we considered to be a material weakness.

Status of Prior-Year Recommendations

In the FY 2009 report on internal control, we did not describe any significant deficiencies. Accordingly, no follow-up action is outstanding as it relates to resolving significant deficiencies.

We issued a draft of this report to NMB management and requested its comments. Management replied by indicating its general agreement with the audit results. This report is intended solely for the information of NMB management, OMB, and Congress. This report is not intended to be and should not be used by anyone other than these specified parties.

Allmond & Company LLC

ALLMOND & COMPANY, LLC

October 20, 2010
Landover, Maryland

EXHIBIT I

Material Weakness

Untimely Recording of Obligations Related to Arbitration Services

NMB has not implemented policies and procedures to record obligations incurred related to arbitration services in the general ledger in a timely manner. During our review of obligations related to arbitration, we noted that NMB did not establish an obligation in the general ledger for over 500 arbitration cases that had been heard by an arbitrator. Under the Railway Labor Act, NMB is required to appoint an arbitrator to hear a case when a grievance adjustment board cannot reach a resolution on a grievance. NMB appoints an arbitrator to hear a case or a group of related cases by issuing a Certificate of Appointment. The Certificate of Appointment must be signed by both parties (NMB and arbitrator). It commits NMB to pay the arbitrator once an award is made on a case and requires the arbitrator to hear a case or group of related cases. NMB does not record an obligation in the general ledger once the Certificate of Appointment is signed by both parties. Statements of Federal Financial Accounting Concepts (SFFAC) 5 *Elements of Accrual Basis Financial Statements and Basic Recognition Criteria* paragraph 42 states, "As the term is used in this Statement, an obligation is a duty or responsibility to act in a certain way. To have a present obligation means that the obligation arose as a result of a past transaction or other event and has not yet been settled. Thus, a present obligation should be distinguished from a mere expression of future intent, such as the government's announcement that it intends to acquire equipment. A present obligation is incurred when the government takes a specific action or an event occurs that commits or binds the government."

It is NMB's practice to establish obligations related to arbitration cases in the general ledger on a month to month basis for expenses that the arbitrator will incur while hearing the case, and once the arbitrator makes an award on a case. As a result, obligations recorded in the general ledger related to arbitration were understated by \$486,900 at September 30, 2010 because this amount represents cases that were heard and not decided.

We recommend NMB develop and implement policies and procedures requiring an obligation to be established in the general ledger once a Certificate of Appointment has been signed by NMB and an arbitrator. Also, we recommend that the Office of Administration reconcile obligations established in the general ledger to the amount of open cases heard by an arbitrator per the Case Management System.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE

Board Members

National Mediation Board

We audited the accompanying balance sheet of the National Mediation Board (NMB) as of September 30, 2010, and the related statements of net cost, changes in net position, and budgetary resources for the year then ended (the principal financial statements) and issued our report thereon, dated October 20, 2010.

We conducted our audit in accordance with *Government Auditing Standards*, auditing standards generally accepted in the United States, and Office of Management and Budget (OMB) Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

NMB management is responsible for complying with laws and regulations. As part of obtaining reasonable assurance about whether NMB's financial statements are free of material misstatement, we performed tests of its compliance with:

- Certain provisions of laws and regulations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts.
- Certain other laws and regulations specified in OMB Bulletin No. 07-04.

We limited our tests of compliance to these provisions and did not test compliance with all laws and regulations applicable to NMB. Our audit was not designed to provide an opinion on compliance with provisions of laws and regulations. Accordingly, we do not express such an opinion.

Our tests disclosed no instances of material noncompliance required to be reported under *Government Auditing Standards*. Additionally, we did not note any instances of immaterial noncompliance.

We issued a draft of this report to NMB management and requested its comments. Management replied by indicating its general agreement with the audit results. This report is intended solely for the information of NMB management, OMB, and Congress. This report is not intended to be and should not be used by anyone other than these specified parties.



ALLMOND & COMPANY, LLC

October 20, 2010
Landover, Maryland

FINANCIAL STATEMENTS

National Mediation Board

Balance Sheet

As of September 30, 2010 and September 30, 2009

Assets	2010	2009
Entity Assets:		
Intragovernmental		
Fund Balance with Treasury (Note 2)	\$ 4,140,310	\$ 3,752,861
Real Estate, Property and Equipment (Note 3)	208,355	86,964
Total Assets	\$ 4,348,665	\$ 3,839,825
<hr/>		
Liabilities and Net Position	2010	2009
Liabilities:		
Intragovernmental Liabilities:		
Accounts Payable	85,488	153,120
Governmental Liabilities:		
Accounts Payable	361,664	567,446
Accrued Payroll and Benefits	331,386	316,647
Capital Lease Liability (Note 8)	130,892	56,191
Unfunded Arbitration Liability (Note 9)	486,900	881,100
Unfunded Annual Leave	412,471	397,196
Total Liabilities	1,808,801	2,371,700
Net Position:		
Unexpended Appropriated Capital	3,259,683	2,707,490
Cumulative Results of Operations	(719,819)	(1,239,365)
Total Net Position	2,539,864	1,468,125
Total Liabilities and Net Position	\$ 4,348,665	\$ 3,839,825

FINANCIAL STATEMENTS

National Mediation Board

Statement of Net Cost

For the Year Ended September 30, 2010 and September 30, 2009

	2010	2009
Costs:		
Mediation/Representation, Arbitration, and Emergency Board		
Intragovernmental	\$ 3,493,783	\$ 3,538,752
With the Public	8,914,332	9,090,404
Total	12,408,115	12,629,156
Less Revenue from Services	0	(4,964)
Net Program Costs	\$ 12,408,115	\$ 12,624,192
Net Cost of Operations	\$ 12,408,115	\$ 12,624,192

National Mediation Board

Statement of Changes in Net Position

For the Year Ended September 30, 2010 and September 30, 2009

	2010	2009
Unexpended Appropriations:		
Beginning Balance – October 1, 2009	\$ 2,707,490	\$ 2,412,913
Prior Period Adjustments	8,158	0
Beginning Balance Adjusted	\$ 2,715,648	\$ 2,412,913
Appropriations Received	13,463,000	12,992,000
Other Adjustments	(469,620)	(564,685)
Appropriations Used	(12,449,345)	(12,132,738)
Total Unexpended Appropriations	\$ 3,259,683	\$ 2,707,490
Cumulative Results of Operations:		
Beginning Balance – October 1, 2009	\$ (1,239,365)	\$ (1,113,783)
Prior Period Adjustments – All Other Funds	(8,158)	0
Beginning Balance as Adjusted – All Other Funds	\$ (1,247,523)	\$ (1,113,783)
Appropriations Used – All Other Funds	12,449,345	12,132,738
Imputed Financing – All Other Funds (Note 5)	486,474	365,872
Net Cost of Operations – All Other Funds	(12,408,115)	(12,624,192)
Total Cumulative Result of Operations	\$ (719,819)	\$ (1,239,365)
Net Position	\$ 2,539,864	\$ 1,468,125

FINANCIAL STATEMENTS

National Mediation Board

Statement of Budgetary Resources

For the Year Ended September 30, 2010 and September 30, 2009

	2010	2009
Budgetary Resources:		
Budget Authority	\$ 13,463,000	\$ 12,992,000
Unobligated Balance – Beginning Period	2,153,324	1,956,767
Spending Authority from Offsetting Collections	90	4,964
Recoveries of Prior Year Obligations	0	0
Adjustments	(469,620)	(564,686)
Total Budgetary Resources	\$ 15,146,794	\$ 14,389,045
Status of Budgetary Resources:		
Obligations Incurred	\$ 12,822,568	\$ 12,235,721
Unobligated Balance – Available	466,420	574,610
Unobligated Balance – Not Available	1,857,806	1,578,174
Total Status of Budgetary Resources	\$ 15,146,794	\$ 14,389,045
Outlays:		
Obligations Incurred	\$ 12,822,568	\$ 12,235,721
Less: Spending authority from offsetting collections and adjustments	(90)	(4,964)
Recoveries of Prior Year Obligations	(0)	(0)
Obligated Balance, Net – Beginning Period	1,599,537	1,103,283
Obligated Balance, Transferred, Net		
Less: Obligated Balance, Net – End of Period	(1,816,083)	(1,599,537)
Net Outlays	\$ 12,605,932	\$ 11,734,503

NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

DESCRIPTION OF REPORTING ENTITY

The National Mediation Board (NMB), established in 1934 under section 4 of the Railway Labor Act (RLA), is an independent U.S. federal government agency that performs a central role in facilitating harmonious labor-management relations within two of the nation's key transportation modes - the railroads and airlines. Recognizing the importance of these transportation industries to the public shippers, and consumers, as well as to the economy and security of the country, the RLA established NMB to promote four key statutory goals:

- The prompt and orderly resolution of disputes arising out of the negotiation of new or revised collective bargaining agreements;
- The avoidance of interruptions to interstate commerce;
- The protection of employee rights to self-organization; and
- The prompt and orderly resolution of disputes over the interpretation or application of existing agreements.

These financial statements include all activity related to NMB's appropriation (No. 95102400), the principal funding for all NMB activities.

NMB prepares its financial statements to be in conformity with generally accepted accounting principles.

NMB does not hold any non-entity assets and has no earmarked funds as described by the Government Accountability Office (GAO).

BUDGETS AND BUDGETARY ACCOUNTING

Congress annually adopts a budget appropriation that provides NMB with authority to use funds from Treasury to meet operating and program expense requirements. NMB has single year budgetary authority and all unobligated amounts at year-end are expired. At the end of the fifth year all amounts not expended are canceled. All revenue received from other sources must be returned to the U.S. Treasury.

BASIS OF ACCOUNTING

NMB's financial statements are prepared under the accrual method of accounting. The accrual method of accounting requires recognition of the financial effects of transactions, events, and circumstances in the period(s) when those transactions, events, and circumstances occur, regardless of when cash is received or paid. NMB also uses budgetary accounting to facilitate compliance with legal constraints and to keep track of its budget authority at the various stages of execution, including allotment, obligation, and eventual outlay.

The Balance Sheet, Statement of Net Cost, Statement of Net Position, and Statement of Budgetary Resources have been prepared in accordance with generally accepted accounting principles.

REVENUE AND OTHER FINANCING SOURCES

NMB receives funds to support its programs through annual appropriations. These may be used to pay program and administrative expenses (primarily salaries and benefits, occupancy, travel, and contractual services costs).

Appropriations are recognized as financing sources at the time they are used to pay program or administrative expenses. Appropriations used to acquire property and equipment is recognized as financing sources when the assets are purchased.

NMB also earns revenue when it bills for copies of subscriptions. These subscriptions are for determinations on the cases NMB handles.

FUND BALANCES WITH THE US DEPARTMENT OF THE TREASURY

NMB does not maintain cash in commercial bank accounts. Cash receipts and disbursements are processed by Treasury. The balance of funds with Treasury represents appropriated fund balances that are available to pay current liabilities and finance authorized purchase obligations relative to goods or services that have not been received.

PROPERTY AND EQUIPMENT

Property and equipment is stated at cost less accumulated depreciation. NMB capitalizes property and equipment purchases with a cost greater than \$5,000, and a total useful life exceeding one year. Depreciation is calculated on a straight-line basis based on an estimated useful life of 5 years for all assets. Expenditures for repairs and maintenance are charged to operating expenses as incurred.

When NMB enters into a lease agreement, as lessee, if the title of the asset transfers to NMB at the end of the lease or any of the other three capitalization criteria pursuant to SFFAS No. 6, *Accounting for Property, Plant, and Equipment*, are met, NMB capitalizes the lease at the present value of minimum lease payment and amortizes the cost over the economic useful life of the asset.

LIABILITIES

Liabilities represent the amount of monies or other resources that are likely to be paid by NMB as the result of a transaction or event that has already occurred. However, no liability can be paid by NMB absent an appropriation. Liabilities for which an appropriation has not been enacted are therefore classified as Liabilities Not Covered by Budgetary Resources and there is no certainty that the appropriations will be enacted. Also, liabilities of NMB arising from other than contracts can be abrogated by the government, acting in its sovereign capacity.

Regarding NMB's building lease, the General Services Administration (GSA) entered into a lease agreement for NMB's rental of building space. NMB pays GSA a standard level users charge for the annual rental. The standard level users charge approximates the commercial rental rates for similar properties. NMB is not legally a party to any building lease agreements, so it does not record GSA-owned properties and does not disclose future minimum lease payments.

ACCRUED LEAVE

Accrued payroll and benefits reflect salaries and benefits that have been earned, but not disbursed as of September 30, 2010.

UNFUNDED ANNUAL LEAVE

Annual leave is accrued as a liability as it is earned. The accrual is reduced as leave is taken. Each year, the balance in the accrued annual leave account is adjusted to reflect current year pay rates. To the extent that the current or prior year appropriations are not available to fund annual leave earned but not taken, funding will be obtained from future appropriations. Sick leave and other types of non-vested leave are charged to expense as the leave is used.

LIABILITIES NOT COVERED BY BUDGETARY RESOURCES

These liabilities are not funded by direct budgetary authority. Liabilities not covered by budgetary resources result from the receipt of goods or services in the current or prior periods, or the occurrence of eligible events in the current or prior periods for which appropriations, revenues, or other financing sources of funds necessary to pay the liabilities have not been made available through Congressional appropriations or current earnings of the reporting entity. Liabilities not covered by budgetary resources as of September 30, 2010 and September 30, 2009 were:

	FY 2010	FY 2009
Unfunded Annual Leave	\$ 412,471	\$ 397,196
Unfunded Arbitrators Liabilities	\$ 486,900	\$ 881,100

NET POSITION

Appropriated fund balance consists of the following components:

Unexpended appropriated capital - represents amounts of unavailable and available budget authority that are unobligated, or obligated but not expended. The obligated amount represents amounts for goods and/or services outstanding for which funds have been obligated, but the liabilities have not been accrued.

	FY 2010	FY 2009
Unobligated, available	\$ 0	\$ 0
Unobligated, unavailable	2,324,227	2,145,165
Undelivered Orders	935,456	562,324
Unexpended Appropriated Capital	\$ 3,259,683	\$ 2,707,489

Future funding requirements - represents the liabilities not covered by available budgetary resources.

RETIREMENT PLAN

NMB's employees participate in either the Civil Service Retirement System (CSRS) or the Federal Employees' Retirement System (FERS). Employees participating in CSRS contribute 7 percent of their gross pay to the plan, and NMB contributes 7 percent.

On January 1, 1987, FERS went into effect pursuant to Public Law 99-335. Most employees hired after December 31, 1983, are automatically covered by FERS and are eligible for Social Security benefits. Employees hired prior to January 1, 1984, could elect either to transfer to the FERS plan and become eligible for Social Security benefits or remain in CSRS. A primary feature of FERS is that it offers a savings plan in which NMB automatically contributes 1 percent of employees' pay and matches any employee contribution up to an additional 4 percent of pay.

The actuarial present value of accumulated benefits, assets available for benefits, and unfunded pension liability of CSRS and FERS is not allocated to individual departments and agencies and is therefore not disclosed by NMB. The reporting of these amounts is the responsibility of the Office of Personnel Management.

During fiscal years 2010 and 2009, NMB paid \$82,795 and \$68,259 for CSRS, and \$406,059 and \$417,222 for FERS, respectively for its employees' coverage.

TAX STATUS

NMB, as an independent Board of the executive branch, a federal agency, is not subject to federal, state, or local income taxes, and, accordingly, no provision for income tax is recorded.

**NOTE 2: FUND BALANCES
 WITH TREASURY**

Fund balances with Treasury were entirely entity assets from appropriations and consisted of the following:

	FY 2010	FY 2009
Obligated	\$ 1,816,083	\$ 1,599,537
Unobligated Available	0	0
Unobligated Restricted	2,324,226	2,153,324
Fund Balance with Treasury	\$ 4,140,309	\$ 3,752,861

**NOTE 3: PROPERTY
AND EQUIPMENT, NET**

NMB uses straight-line depreciation with a useful life of 5 years and a capitalization threshold of \$5,000. Property and equipment, and related accumulated depreciation, at September 30, 2010 and September 30, 2009 consisted of:

	FY 2010	FY 2009
Equipment-Capitalized	\$ 187,300	\$ 188,556
Capital Lease	160,959	78,777
	348,259	267,333
Less: Accumulated Depreciation	(139,904)	(180,368)
Total Property and Equipment, net	\$ 208,355	\$ 86,965

**NOTE 4: PROGRAM/
OPERATING EXPENSES**

Although OMB Circular A-136 only requires that operating expenses be broken out by program and object classification if the principal statements may be misleading for FY 2010, NMB has chosen to display its operating expenses by object classification for FY 2010 and FY 2009 for a more clear presentation.

	FY 2010	FY 2009
Personnel Compensation	\$ 7,665,815	\$ 8,065,172
Personnel Benefits	1,490,352	1,345,777
Travel of Persons	626,323	237,428
Transportation of Things	5,902	5,954
Rent/Comm/Utilities	1,276,370	1,408,687
Printing	41,899	(1,428)
Other Services	1,007,180	865,777
Supplies	129,792	141,488
Equipment	338,819	64,571
Total	\$12,582,452	\$12,133,426

**NOTE 5: PENSIONS, OTHER
RETIREMENT BENEFITS,
AND OTHER POST
RETIREMENT BENEFITS**

The NMB reports the full cost of employee pensions, other retirement benefits, and other post-employment benefits in accordance with SFFAS No. 5, Accounting for Liabilities of the Federal Government. Although the NMB funds a portion of the benefits under FERS and CSRS relating to its employees and withholds the necessary payroll deductions, a portion of the Normal Pension Cost remains unpaid. SFFAS No. 5 requires the recognition of this remaining cost as imputed financing.

Pension and other retirement benefit expenses are calculated using cost factors determined by actuaries at the Office of Personnel Management. These cost factors are calculated based on economic and demographic assumptions. The cost factor is multiplied by the basic pay in order to obtain the "Normal Cost" for the accounting period. This Normal Cost is the present value of the projected benefits of each employee allocated on a level basis over the service of the employee between entry age and assumed exit age.

The imputed financing amount represents the difference between the employer's total pension expense and the employer's contribution. For the period ending September 30, 2010 the Normal Cost, employer's total pension expense, employer's contribution and imputed financing amounts were as follows:

Employee Type	Normal Cost	Employer's Total Pension Expense	Employer's Contribution	Employer's Imputed Financing Expense
CSRS	\$ 330,909	\$ 76,956	\$ 76,956	\$ 176,998
FERS	531,249	30,797	431,159	69,293
Total	\$ 862,159	\$ 107,753	\$ 508,115	\$ 246,291
Health Insurance				239,193
Life Insurance				990
Total				240,183
Grand Total Imputed Financing				\$ 486,474

September 30, 2009:

Employee Type	Normal Cost	Employer's Total Pension Expense	Employer's Contribution	Employer's Imputed Financing Expense
CSRS	\$ 274,161	\$ 74,385	\$ 74,385	\$ 125,391
FERS	496,091	32,266	451,725	12,100
Total	\$ 770,252	\$ 106,651	\$ 526,110	\$ 137,491
Health Insurance				227,362
Life Insurance				1,019
Total				228,381
Grand Total Imputed Financing				\$ 365,872

**NOTE 6: OBLIGATED
BALANCES, NET,
END OF PERIOD AS OF
SEPTEMBER 30, 2010**

The components of the obligated balance as of September 30, 2010 and September 30, 2009 are:

	FY 2010	FY 2009
Undelivered Orders	\$ 935,456	\$ 562,324
Accounts Payable	880,627	1,037,213
Total Obligated Balance	\$ 1,816,083	\$ 1,599,537

**NOTE 7: STATEMENT
OF FINANCING**

For the Year Ended September 30, 2010 and September 30, 2009

	2010	2009
Resources Used to Finance Activities		
Obligations Incurred	\$12,822,568	\$12,235,721
Less: Spending authority for offsetting collections and Recoveries of Prior Year Obligations	(90)	(4,964)
Imputed Financing (Note 5)	486,474	365,872
Total Budgetary Resources to Finance Activities	\$13,308,952	\$ 12,596,629
Less: Resources Not Used to Finance		
Net Cost of Operations		
Change in Amount of Goods, Services and Benefits ordered but not yet Received or Provided	\$ 373,132	\$ 102,984
Costs Capitalized on the Balance Sheet	211,096	(690)
Other	0	0
Total Resources Not Used to Finance Net Cost of Operations	\$ 584,229	\$ 102,294
Total Resources Used to Finance Net Cost of Operations	\$12,724,722	\$ 12,494,335
Costs that do not require Resources:		
Depreciation and Amortization	\$ 39,313	\$ 52,984
Change in Future Funded Liabilities	(378,925)	91,423
Revaluation of Assets and Liabilities	23,004	(14,550)
Total Costs that do not require Resources	(316,607)	129,857
Net Cost of Operations	\$12,408,115	\$ 12,624,192

**NOTE 8: ACCOUNTING
 FOR LEASES**

OPERATING LEASES

NMB occupies office space under a lease agreement with the General Services Administration (GSA) that is accounting for as an operating lease. The lease term was for a period of eleven years began on November 1, 2000 and expires on October 31, 2011. NMB pays GSA a standard level users charge for the annual rental adjusted annually for operating cost escalations in accordance with the provisions in the Federal Management Regulations. The operating rent and taxes was to be inflated by 0.76% from 2008 to 2011 to estimate the escalation that the market will yield.

Schedule of Future Minimum Lease Payments

2011	\$ 1,216,228
Total Future Minimum Lease Payments	\$ 1,216,228

CAPITAL LEASES

NMB entered into a capital lease on December 6, 2006 to lease a Xerox machine over a five-year period. The lease provide for ownership to transfer to NMB at the end of the lease period. The present value of the minimum lease payments of \$6,555.84 annually at an interest rate of 9.5 percent was determined to be \$25,215. The Capital Lease Asset is being depreciated on a straight line basis on 5 years. The Capital Lease Liability as of September 30, 2010 and 2009 was \$5,987 and 11,455, respectively.

NMB entered into a capital lease on October 6, 2008 to lease a Xerox machine over a five-year period. The lease provide for ownership to transfer to NMB at the end of the lease period. The present value of the minimum lease payments of \$5,256.84 annually at an interest rate of 9.5 percent was determined to be \$20,183 for the first machine. The Capital Lease Asset is being depreciated on a straight line basis on 5 years. The Capital Lease Liability as of September 30, 2010 and 2009 was \$13,096 and 16,844. On September 10, 2010 this lease was traded in as of payment 23.

NMB entered into a capital lease on October 6, 2008 to lease a Xerox machine over a five-year period. The lease provide for ownership to transfer to NMB at the end of the lease period. The present value of the minimum lease payments of \$1,671 annually at an interest rate of 9.5 percent was determined to be \$6,415.23 for the second machine. The Capital Lease Asset is being depreciated on a straight line basis on 5 years. The Capital Lease Liability as of September 30, 2010 and 2009 was \$4,192 and 5,354, respectively.

NMB entered into a capital lease on October 6, 2008 to lease a Xerox machine over a five-year period. The lease provide for ownership to transfer to NMB at the end of the lease period. The present value of the minimum lease payments of \$7,033 annually at an interest rate of 9.5 percent was determined to be \$27,006 for the last machine. The Capital Lease Asset is being depreciated on a straight line basis on 5 years. The Capital Lease Liability as of September 30, 2010 and 2009 was \$17,646 and 22,539, respectively.

NMB entered into a capital lease on September 10, 2010 to lease a Xerox machine over a five-year period. The lease provide for ownership to transfer to NMB at the end of the lease period. The present value of the minimum lease payments of \$25,807.20 annually at an interest rate of 8.25 percent was determined to be \$102,365.28 for the machine.

The Capital Lease Asset is being depreciated on a straight line basis on 5 years.
The Capital Lease Liability as of September 30, 2010 was \$102,089.03.

**NOTE 9: UNFUNDED
ARBITRATION LIABILITY**

By law, NMB is required to appoint an arbitrator if a grievance adjustment board cannot resolve a grievance. NMB appoints an arbitrator by issuing a certificate of appointment to hear a specific case or a specified group of related cases and a compensation letter setting out the daily rate of compensation, per diem, and travel costs. NMB's policy is to record an obligation at the beginning of each month when it approved an arbitrator's compensation request. Since such arbitrator services are considered nonseverable services, NMB record an estimated obligation amount for the service outstanding due to arbitrator appointments at the end of each fiscal year for financial reporting purposes. As of September 30, 2010, NMB had a total of 541 arbitration cases heard but no decision rendered. An estimated obligation amount was determined by multiplying the 541 cases by an average of 3 days per case at a daily compensation rate of \$300. Total unfunded arbitration liability as of September 30, 2010 was \$486,900.

**NOTE 10: STATEMENT OF
BUDGETARY RESOURCES
VS BUDGET OF THE UNITED
STATES GOVERNMENT**

The reconciliation as of September 30, 2009 is presented below. The reconciliation as of September 30, 2010 is not presented, because the submission of the Budget of the United States (Budget) for FY 2012, which presents the execution of the FY 2010 budget, occurs after publication of these financial statements. The National Mediation Board Budget Appendix can be found on the OMB website (<http://www.whitehouse.gov/omb/budget>) and will be available in early February 2011.

For the Fiscal Year Ended September 30, 2009 (in millions)

	Budgetary Resources	Obligations Incurred	Distributed Offsetting Receipts	Net Outlays
Statement of Budgetary Resources	\$ 14	\$ 13	\$ 0	\$ 12
Expired Funds	(1)			
Budget of the United States	\$ 13	\$ 13	\$ 0	\$ 12

MANAGEMENT ASSURANCES (FMFIA)

This section provides information on NMB's compliance with the Federal Managers' Financial Integrity Act (FMFIA) and the Improper Payments Information Act, as well as other management information, initiatives, and issues. FMFIA requires that agencies establish controls that provide reasonable assurance that:

- obligations and costs comply with applicable law;
- assets are safeguarded from waste, loss, unauthorized use, or misappropriation; and
- revenues and expenditures are properly recorded and accounted for.

It also requires the Chairman to provide an assurance statement on the adequacy of management controls.

ASSURANCE STATEMENT (FMFIA)

The NMB's management is responsible for establishing and maintaining effective internal controls that meet the obligations of FMFIA within their areas of responsibility. Based on the directors' knowledge of daily operations and other management reviews, the NMB is able to provide an unqualified statement of assurance that the internal controls meet the objectives of FMFIA.



Harry R. Hoglander
Chairman
October 20, 2010

IMPROPER PAYMENTS INFORMATION ACT

The NMB is considered to be at low risk for improper payments since the functional payment areas are limited to traveler reimbursement, commercial vendors for supplies and services, and the payroll EFT payments. The NMB does not administer any entitlement, grant, or loan programs.

FEDERAL TRAVEL CARD PROGRAM

The NMB is a full participant in the Federal Travel Card Program, and has issued travel credit cards to employees whose official duties may require frequent travel. The Office of Administration routinely monitors each employee's usage of the travel card to ensure that charge activities are restricted to official government travel-related expenses, and that the employee is paying his/her credit card bills on-time.

During FY 2010, employees were reimbursed for authorized travel-related expenses within one business day after receipt of their completed travel voucher.

During this same period, no NMB employee's travel card account was identified as being delinquent and no inappropriate usage of the travel card was identified.

FEDERAL PURCHASE CARD PROGRAM

During this period, the NMB continued its use of the U .S. Government's purchase card program to expedite the purchase of authorized supplies and services. The NMB has an internal process which requires a purchase request for all services. This purchase request is reviewed and approved by the office director before being submitted to the Office of Administration for action. The OA staff determines the appropriate contracting vehicle to procure the requested goods and/or services.

FEDERAL INFORMATION SECURITY MANAGEMENT ACT (FISMA)

The Federal Information Security Management Act (FISMA) requires an annual independent evaluation of each agency's information technology (IT) security program. The NMB continued to work with the Bureau of the Public Debt to perform a review of the NMB's technology security program. The results of the review form the basis of the NMB's annual FISMA report to OMB and associated Plans of Action & Milestones (POA&M). The NMB provides its employees and contractors with annual Information Systems Security Awareness training as required by this Act.

FMFIA Material Weakness In Management Operations
 Statistical Summary of Performance

REPORT PURSUANT
 TO SECTION 2 OF
 THE INTEGRITY ACT:
 INTERNAL CONTROL
 SYSTEM

Overall compliance Yes

Number of Material Weaknesses

Period Reported	Reported	Corrected	Pending
Prior Years	0	N/A	0
2005 report	0	N/A	0
2006 report	0	N/A	0
2007 report	0	N/A	0
2008 report	0	N/A	0
2009 report	0	N/A	0
2010 report	0	N/A	0
Total	0	0	0

Pending Material Weaknesses (by function)

Category	Number	Year First Reported
Program management	0	N/A
Functional management:	0	N/A
Procurement	0	N/A
Grant management	0	N/A
Personnel & organizational management	0	N/A
ADP security	0	N/A
Payment systems and cash management	0	N/A
Loan management and debt collection	0	N/A
Property and inventory management	0	N/A
Total	0	N/A

**REPORT PURSUANT
 TO SECTION 4 OF
 THE INTEGRITY ACT:
 SYSTEMS AND
 CONFORMANCE**

Overall compliance Yes

Number of Material Weaknesses

Existing Systems	Total	In Conformance
Prior years	1	1
2005 report	1	1
2006 report	1	1
2007 report	1	1
2008 report	1	1
2009 report	1	1
2010 report	1	1
Total	1	1

Pending Nonconformance

Material nonconformance	Reported	Corrected	Pending
Prior Years	0	N/A	0
2005 report	0	N/A	0
2006 report	0	N/A	0
2007 report	0	N/A	0
2008 report	0	N/A	0
2009 report	0	N/A	0
2010 report	0	N/A	0
Total	0	N/A	0

REPORT PURSUANT
 TO SECTION 4 OF
 THE INTEGRITY ACT:
 FINANCIAL
 MANAGEMENT
 SYSTEMS

Overall compliance Yes, Achieved 1988

Number of Material Weaknesses

Period Reported	Reported	Corrected	Pending
Prior Years	0	N/A	0
2005 report	0	N/A	0
2006 report	0	N/A	0
2007 report	0	N/A	0
2008 report	0	N/A	0
2009 report	0	N/A	0
2010 report	0	N/A	0
Total	0	0	0

Pending Nonconformance

Period Report: FY 10	Number	Year First Reported
General ledger control	0	N/A
Interfaces	0	N/A
Data accuracy, timeliness, comparability, usefulness	0	N/A
Property	0	N/A
Cash management	0	N/A
Receivables	0	N/A
Program costs	0	N/A
Payroll	0	N/A
Systems documentation	0	N/A
Audit trails, security	0	N/A
Other	0	N/A
Total	0	N/A

NATIONAL RAILROAD ADJUSTMENT BOARD (NRAB)

BOARD MEMBERS FY-2010

NRAB

Stephen F. Watson, **TCU, Board Chairman**

Michael C. Lesnik, **NRLC, Board Vice Chairman**

FIRST DIVISION MEMBERS

Marcus J. Ruef
BLET, Chairman
John F. Hennecke
**NRLC,
Vice Chairman**

SECOND DIVISION MEMBERS

Alexander M.
Novakovic
BRC, Chairman
H. Glen Williams
**NRLC,
Vice Chairman**

THIRD DIVISION MEMBERS

Stephen F. Watson
TCU, Chairman
Michael C. Lesnik
**NRLC,
Vice Chairman**

FOURTH DIVISION MEMBERS

William T. Bohne
IBEW, Chairman
Jeffrey F. Rodgers
**NRLC,
Vice Chairma**

Mary Kay Conley
IHB

Douglas W.
Davidson, BLET

Bruce D. Feltmeyer
UTU

James Patrick Finn
METRA

David B. Wier, UTU
Charles
Woodcock, III,
NRPC

Timothy E. Coffey
BRS

Joe R. Duncan
IAMAW

Dewey B. Garland
SMWIA

Leon Gooding
NRPC

John P. Lange, CR
James E. Meyer
IBEW
T. Gary Taggart, UP
John Thacker, F&O

James Albano, KCS

Allan L. Brunmeier
CN/IC

Brant Hanquist, UP
Timothy W. Kreke
BMWED – IBT

Thomas Lawrence
P&W

Charlie McGraw
BRS

Isaac R. Monroe
HERE

David W. Volz, ATDA

James R. Cumby
UTU/YDM

Mary C. Gunn
ARASA (TCU)

Frances C. Keating
SEPTA

Dominic A. Ring, UP

CERTIFIED REFEREES FOR FY-10

FIRST DIVISION

Edwin H. Benn
Steven M. Bierig
John Binau
Michelle S. Camden
Brian Clauss
James M. Darby-
Charles P. Fischbach
Elliott H. Goldstein
Joshua M. Javits
Ann S. Kenis
Lisa S. Kohn
Peter Meyers
James Nash
Gerald E. Wallin

SECOND DIVISION

James Conway

THIRD DIVISION

Edwin H. Benn
Steven M. Bierig
Daniel Brent
Martin Fingerhut
Michael D. Gordon
Patrick Halter
Joe H. Henderson
Andrea S. Knapp
Lisa S. Kohn
William R. Miller
Margo R. Newman
Gerald E. Wallin
Elizabeth C. Wesman
Marty E. Zusman

FOURTH DIVISION

Steven R. Friedman

SECTION 3 TRIBUNALS

No. of Boards

Public Law	101
Special Boards of Adjustment	0
Arbitration Board	1
Total	102

1. PUBLIC LAW BOARDS, SPECIAL BOARDS OF ADJUSTMENT AND ARBITRATION BOARDS

1A. CARRIERS

Alabama State Dock
 Alabama & Tennessee River Railway
 Alston and Southern Railway Company
 Appalachian & Ohio Railroad
 Belt Railway Company of Chicago
 Bessemer & Lake Erie Railroad
 Birmingham Southern Railroad
 Buffalo & Pittsburgh Railroad, Inc.
 Burlington Northern Santa Fe Railway Company
 Canadian National Railway Company
 Canadian Pacific Railway Company
 Central Railroad of Indiana
 Chicago Central & Pacific Railroad
 Chicago, Fort Wayne & Eastern Railroad
 Colorado & Wyoming Railway Company
 Connecticut Southern Railroad
 Connex Railroad LLC
 Consolidated Rail Corporation
 CP Rail System
 CSX Transportation, Inc.
 Dakota, Minnesota & Eastern Railway
 Delaware & Hudson Railroad Company
 Duluth, Missabe & Iron Range Railroad
 Duluth, Winnepeg and Pacific Railroad
 Elgin, Joliet & Eastern Railway
 Florida East Coast Railroad
 Gary Railroad Company
 Grand Trunk Western Railroad
 Great Lakes Central Railroad
 Illinois Central Railroad
 Illinois Central Railroad Gulf
 Indiana Harbor Belt Railroad
 Indiana & Ohio Railroad
 Iowa Interstate Railway
 Iowa Northern Railway Company
 Kansas City Southern
 Kansas City Terminal Railway Company
 Kyle Railroad Company
 Lake Superior & Isheming Railroad

Long Island Rail Road
Massachusetts Bay Commuter Railroad
Metro North Commuter Rail
National Railway Labor Conference
National Railroad Passenger Corporation (AMTRAK)
New Jersey Transit Authority
New York & Atlantic Railway
Norfolk Southern Corporation
Northeast Illinois Regional Commuter
Northern Indiana Commuter Transportation District
Pacific Harbor Line, Inc.
Paducah & Louisville
Pan Am Railway
Pennsylvania Southwestern Railroad
Port Authority TransHudson of NY & NJ
Portland and Western Railroad
Port Terminal Railroad Association
Soo Line Railroad Company
South Carolina Public Railways
South Kansas and Oklahoma Railroad
Southeastern Pennsylvania Transportation Authority
Terminal Railroad Association of St. Louis
Texas Mexican Railway Company
TTX Company
Union Pacific Railroad Company
Union Railroad Company
Wheeling & Lake Erie Railroad
White Pass-Yukon Railroad
Wisconsin Central, Ltd.
Wisconsin Central Railroad
York Railway

1B. UNIONS

American Train Dispatchers Association
Amtrak Service Workers Council
Association of Commuter Rail Employees
Brotherhood of Locomotive Engineers & Trainmen-IBT
Brotherhood of Maintenance of Way Employees-IBT
Brotherhood of Railroad Signalmen
Employees National Conference Committee
Independent Railway Supervisors Association
International Association of Machinists & Aerospace Workers
International Association of Teamsters
International Brotherhood of Blacksmiths & Boilermakers
International Brotherhood of Electrical Workers
International Longshoremen's Association
International Railway Supervisors Association
National Conference of Firemen and Oilers, SEIU
Railway Independent Transit Union
Sheet Metal Workers International Association
Transportation Communications International Union
Transport Workers Union of America
United Transportation Union

**1C. ARBITRATORS (PUBLIC LAW BOARD, SPECIAL BOARD
VOF ADJUSTMENT OR ARBITRATION BOARD)**

Edwin Benn	Joyce Klein
Steven Bierig	Andria Knapp
John R. Binau	Lisa S. Kohn
Patricia Bittel	Charles W. Kohler
Ezio E. Borchini	Sinclair Kossoff
Daniel Brent	Mitchell Kraus
Robert Camp	Leslie W. Langbein
Michelle Camden	George Larney
Dennis Campagna	Thomas F. Levak
Joseph Cassidy	James Litton
Brian Clauss	Charles Loughran
Gerald Cohen	Frank Lynch
James E. Conway	Sherwood Malamud
Robert Costello	Herbert Marx
John B. Criswell	Peter R. Meyers
James Darby	William Miller
Rodney Dennis	James E. Nash
Francis J. Domzalski	Margo Newman
John Easley	Daniel Nielsen
Dana E. Eischen	Kenneth J. O'Brien
Nancy F. Eischen	James P. O'Grady
Lewis L. Ellsworth	Robert M. O'Brien
Ira Epstein	Joan Parker
Eduardo Escamilla	Robert Perkovich
Joseph Fagnani	Robert E. Peterson
Charles Fischbach	Francis X. Quinn
Janice Frankman	Richard H. Radek
Joann Fuqua	David Ray
Gayle Gavin	Robert G. Richter
Carmelo Gianino	Thomas N. Rinaldo
Charlotte Gold	Sean J. Rogers
Dennis Gonzales	Lynette A. Ross
Richard P. Gortz	Ellen S. Saltzman
Robert A. Grey	Martin Scheinman
Paul Greenberg	Mary Jo. Schiavoni
Patrick Halter	Barry E. Simon
Don Hampton	Kathleen J. Spilker
Richard Hanft	Josef Sirefman
I B. Helburn	Lamont E. Stallworth
Robert L. Hicks	Herman Torosian
Robert A. Hoffman	David Twomey
Ronald Hoh	M. David Vaughn
Michele Hoyman	Gilbert Vernon
Jeffery W. Jacobs	Christine D. VerPloeg
Joshua M. Javits	Gerald E. Wallin
Michael J. Jedel	Lamont Walton
Michael Jordan	Leon Werb
Ann S. Kenis	Elizabeth C. Wesman
Richard D. Kimbel	Sherry Wetsch
Michael King	Barbara Zausner
Jonathan Klein	Marty E. Zusman

2. LABOR PROTECTIVE
PROVISIONS –
ROBERT E. PETERSON

Carrier
Florida East Coast Railroad Company

Union
United Transportation Union

3. UNION SHOPS

N/A

ONLINE
ARBITRATION
REPORTS

The following online reports are “real time”; i.e., they are updated online as the NMB updates the underlying Case Tracking system.

These reports are available on the Arbitration webpage at
www.nmb.gov/arbitration/amenu.html

NRAB OPEN CASE REPORT

The NRAB Open Case Report shows all of the cases that are currently open for the NRAB. Shown in this report are the Arbitrator (if assigned), the parties, the date the case was opened, the date the case was deadlocked and the date the case was heard.

ARBITRATORS' CASELOAD REPORT

This report lists by Arbitrator all of the open cases to which each Arbitrator is assigned. The report shows the parties involved, the date the case was opened and the date the case was heard. Cases that have not been closed within 6 months of the hearing date are deemed late and this is also shown in the report.

CASE TABLES

Table 1: Number of Cases Received and Closed

	FY 2010	FY 2009	FY 2008	FY 2007	FY 2006	FY 2005	Average 2005-09
MEDIATION							
Start-pending	74	44	64	75	71	56	62.00
New	43	58	20	34	37	58	41.40
Sum	117	102	84	109	108	114	103.40
Closed	33	28	40	45	33	43	37.80
End-pending	84	74	44	64	75	71	65.6
ADR							
Start-pending	23	27	31	17	18	15	21.60
New	28	15	44	44	68*	27	39.60
Sum	51	42	75	61	86	42	61.20
Closed	29	19	48	30	69*	24	38.00
End-pending	22	23	27	31	17	18	23.20
REPRESENTATION							
Start-pending	8	2	4**	0	0	1	1.40
New	40	46	45	25	46	32	38.80
Sum	48	48	49	25	46	33	40.20
Closed	39	40	47	24	46	33	38.00
End-pending	9	8	2	1	0	0	2.20
ARBITRATION							
Start-pending	4037**	6212	5551	4664	4581**	4910	5183.60
New	4381	4920	6056	4929	5537	4839	5256.20
Sum	8418	11132	11607	9593	10118	9749	10439.80
Closed	5648	7073	5395	4042	5454	4127	5218.20
End-pending	2770	4059	6212	5551	4664	5622	5221.60

* ADR caseload counts include OP and OP-ODR cases starting in FY-2006.

** Caseload adjusted based on case audit.

CASE TABLES

Table 2: Representation Case Disposition

Railroads	Number of Cases Number	of Crafts or Classes Number of	Employees Involved Number of	Employees Participating
Certifications	15	15	548	354
Dismissals	7	7	38	9
Totals	22	22	586	363

Airlines	Number of Cases Number	of Crafts or Classes Number of	Employees Involved Number of	Employees Participating
Certifications	10	10	306	131
Dismissals	7	7	9,424	5,542
Totals	17	17	9,730	5,673

Totals-Railroads and Airlines	39	39	10,316	6,036
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CASE TABLES

Table 3: Cases Closed by Major Groups of Employees

Railroads	Total Cases	Representation Cases	Mediation Cases
Brakemen	1	0	1
Carmen	1	0	1
Clerks	1	0	1
Conductors	1	0	1
Electrical Workers	1	0	1
Engineers and Related Employees	1	1	0
Locomotive Engineers	1	0	1
Machinists	2	1	1
Maintenance	7	6	1
Operating and Non-Operating Employees	1	1	0
Signalmen	2	2	0
Train Dispatchers	1	1	0
Train and Engine Service	4	4	0
Train Service	1	0	1
Transportation Operations Employees	1	1	0
Combined Groups, Railroad	2	1	1
Miscellaneous, Railroad	4	4	0
Railroad Total	32	22	10

Airlines	Total Cases	Representation Cases	Mediation Cases
Clerks	1	0	1
Customer Service Agents	1	0	1
Fleet and Passenger Service Employees	1	1	0
Fleet Service Employees	2	2	0
Flight Attendants	9	6	3
Flight Deck Crew Members	6	3	3
Flight Dispatchers	2	0	2
Flight Simulator Engineers	1	1	0
Ground School Instructors	1	0	1
Mechanics and Related Employees	5	2	3
Office Clerical Employees	1	0	1
Passenger Service Employees	2	0	2
Pilots	6	2	4
Refuelers	1	0	1
Technical Specialists	1	0	1
Airline Total	40	17	23

Grand Total Railroads and Airlines	72	39	33
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CASE TABLES

Table 4: Craft or Class Determinations in Representation Cases

Railroads	Number of Cases	Number of Crafts or Classes	Number of Employees Participating	Percentage¹ of Employees Involved
Machinists	1	1	4	..
Maintenance of Way Employees	6	6	192	2
Operating/Non-Operating Employees	1	1	0	0
Signalmen	2	2	7	..
Train Dispatchers	1	1	15	..
Train and Engine Service Employees	4	4	60	..
Transportation Operations Employees	1	1	11	..
Combined Groups, Railroad	1	1	0	0
Miscellaneous, Railroad	5	5	7	4
Railroad Total	22	22	363	4
Airlines				
Fleet and Passenger Service Employees	1	1	0	0
Fleet Service Employees	2	2	4,129	40
Flight Attendants	6	6	1,046	10
Flight Deck Crew Members	3	3	346	3
Flight Simulator Engineers	1	1	41	..
Mechanics and Related Employees	2	2	11	..
Pilots	2	2	100	1
Airline Total	17	17	5,673	55
Grand Total, Railroads and Airlines	39	39	6,036	59

1 Percent listing for each group represents the percentage of the 10,316 employees involved in all railroad and airline cases during fiscal year 2010.

(..) Less than one percent.

CASE TABLES

Table 5: Crafts or Classes Certified in Representation Cases

	National Organizations			Local Unions and/or Individuals			Totals		
	Craft or Class	Employees Participating	Percent of Involved	Craft or Class	Employees Participating	Percent of Involved	Craft or Class	Employees Participating	Percent of Involved
RAILROADS									
Representation Acquired									
Elections	13	133	1	0	0	0	13	133	1
Proved Authorizations	0	0	0	0	0	0	0	0	0
Representation Changed									
Elections	0	0	0	0	0	0	0	0	0
Proved Authorizations	0	0	0	0	0	0	0	0	0
Representation Unchanged									
Elections	0	0	0	0	0	0	0	0	0
Proved Authorizations	0	0	0	0	0	0	0	0	0
Total, Railroads	13	133	1	0	0	0	13	133	1
AIRLINES									
Representation Acquired:									
Elections	6	5,144	50	0	0	0	6	5,144	50
Proved Authorizations	0	0	0	0	0	0	0	0	0
Representation Changed:									
Elections	2	320	3	0	0	0	2	320	3
Proved Authorizations	0	0	0	0	0	0	0	0	0
Representation Unchanged:									
Elections	1	78	..	0	0	0	1	78	..
Proved Authorizations	0	0	0	0	0	0	0	0	0
Total, Airlines	9	5,542	54	0	0	0	9	5,542	54
Total, Combined Railroads and Airlines	22	5675	55	0	0	0	22	5,675	55

CASE TABLES

Table 6: Strikes in the Airline Industry

Carrier	Union	Craft and Class	Strike Began	Strike Ended	Duration
Spirit Airlines	ALPA	Pilots	6/12/2010	6/16/2010	5 Days

Table 7: Strikes in the Railroad Industry

None

Table 8: RLA Section 10 Presidential Emergency Boards

None

Table 9: RLA Section 9a Presidential Emergency Boards

None

CASE RECORDS

1A. AIRLINE MEDIATION CASES DOCKETED

Carrier	Union	Craft/Class
Aer Lingus	IAM	Customer Service Agents
Air Transport International LLC	ALPA	Flight Deck Crew Members
Air Wisconsin Airlines Corporation	IAM	Mechanics and Related Employees
Alaska Airlines	IAM	Clerical, Office, Fleet & Passenger Service Employees
America West	USAPA	Pilots
Capital Cargo International Airlines	ALPA	Flight Deck Crew Members
CommutAir	IAM	Flight Attendants
Continental Airlines	TWU	Dispatchers
Continental Airlines	IBT	Mechanics and Related Employees
Great Lakes Airlines	UTU	Pilots
Horizon Air Industries, Inc.	IBT	Pilots
LSG Sky Chefs	Unite	Flight Kitchen and Commissary Employees
Piedmont Airlines	ALPA	Pilots
PSA Airlines, Inc.	IAM	Mechanics and Related Employees
PSA Airlines, Inc.	AFA	Flight Attendants
PLH Aviation Services, Inc.	IBT	Fleet Service Employees
Southwest Airlines	IBT	Stock Clerks
US Airways	USAPA	Pilots
United Airlines	PAFCA	Flight Dispatchers

CASE RECORDS

1B. RAILROAD MEDIATION CASES DOCKETED

Carrier	Union	Craft/Class
Canadian National Railway	BMWED	Maintenance of Way Employees
Canadian National Railway	ATDD	Train Dispatchers
CEVA Logistics	IBT	Refuelers
De Queen & Eastern Railroad Company	ATDD	Maintenance of Way Employees
Iowa Northern Railway Company	UTU	Conductors
Long Island Rail Road	BRS	Signalmen
Long Island Rail Road	IRSA	Gang Foreman
Montreal, Maine & Atlantic Railway	BLET	Locomotive Engineers
National Carriers Conference Committee	TCU	Clerks
National Carriers Conference Committee	TCU	Carmen
National Carriers Conference Committee	ATDA	Train Dispatchers
National Carriers Conference Committee	TWU	Carmen
National Carriers Conference Committee	IBEW	Electrical Workers
National Carriers Conference Committee	IAM	Machinists
Pan Am Railways	TCU	Carmen
Pan Am Railways	TCU	Clerks
PLH Aviation Services, Inc.	IBT	Fleet Service Employees
South Central Florida Express	IAM	Operating/Non-Operating Employees
South Central Florida Express	IAM	Mechanics
South Central Florida Express	IAM	Maintenance of Way Employees
South Central Florida Express	IAM	Office Clerical Employees [AL c/c]
Southern Pennsylvania Transportation Authority	BLET	Locomotive Engineers
Southern Pennsylvania Transportation Authority	IBEW	Electrical Workers
Stillwater Central Railroad	UTU	Trainmen; Engine Service Employees

CASE RECORDS

1C. AIRLINE MEDIATION CASES CLOSED

Carrier	Union	Craft/class
Aer Lingus	IAM	Customer Service Agents
Air Transport International LLC	IBT	Pilots
Airborne Express	IBT	Flight Deck Crew Members
American Airlines	TWU	Technical Specialists
American Eagle	TWU	Ground School Instructors
American Eagle	TWU	Mechanics and Related Employees
Arrow Airlines	IBT	Pilots
Bahamasair Holdings Limited	IAM	Clerks
British Airways	IAM	Mechanics and Related Employees
British Airways	IAM	Office Clerical Employees
British Airways	IAM	Passenger Service Employees
Capital Cargo International Airlines	ALPA	Flight Deck Crew Members
CEVA Logistics	IBT	Refuelers
Continental Airlines	TWU	Dispatchers
Flight Options	IBT	Pilots
Freedom Airlines	AFA	Flight Attendants
Great Lakes Airlines	IBT	Flight Dispatchers
Gulfstream International Airlines	IAM	Flight Attendants
Hawaiian Airlines	ALPA	Pilots
Hawaiian Airlines	IAM	Mechanics and Related Employees
Hawaiian Airlines	IAM	Passenger Service Employees
Mesa Airlines	AFA	Flight Attendants
Spirit Airlines	ALPA	Flight Deck Crew Members

CASE RECORDS

1D. RAILROAD MEDIATION CASES CLOSED

Carrier	Union	Craft/class
Canadian National Railway	UTU	Brakemen
Canadian National Railway	UTU	Conductors
Iowa Interstate Railroad, Ltd.	BMWED	Maintenance
Pan Am Railways	TCU	Carmen
Pan Am Railways	TCU	Clerks
Pan Am Railways	UTU	Train Service Employees (Brakemen & Conductors)
Pan Am Railways	IBEW	Electrical Workers
Port Authority Trans-Hudson Corporation	RITU	Mixed Group of Employees
Southeastern Pennsylvania Transportation Authority	IAM	Machinists
Union Railroad Company	BLET	Locomotive Engineers

CASE RECORDS

2A. ADR CASES DOCKETED

Case Type	Carrier/Entity	Union	Group
F	US Airways	AFA	Flight Attendants
F	Piedmont Airlines	AFA	Flight Attendants
GM	Pinnacle Airlines, Inc.	USW	Flight Attendants
GM	Colgan Air, Inc.	USW	Flight Attendants
GM	ABX Air, Inc.	IBT	Flight Deck Crew Members
GM	Metro North Railroad (MTA)	TCU	Clerks
GM	Alaska Airlines	ALPA	Pilots
GM	Southwest Airlines	SWAPA	Pilots
GM	Capital Cargo International Airlines	ALPA	Pilots
GM	US Airways	IAM	Fleet Service Employees
OP	Metro North Railroad (MTA)	TCU	Office Clerical
OP	--	UTU	General Chairman
OP	--	--	FMCS Presentation
T	--	--	Federal Dispute Resolution Conference
T	--	IAM	Clerical, Office, Fleet & Passenger Service Employees
T	--	IAM	Airline District Presidents & General Chairman
T	--	IAM	COFPS at Alaska Airlines
T	PSA Airlines, Inc.	IAM	Mechanics and Related Employees
T	ABX Air, Inc.	IBT	Flight Deck Crew Members
T	US Airways	IAM	Fleet Service Employees
T	Alaska Airlines	ALPA	Pilots
T	Southwest Airlines	SWAPA	Pilots
T	Continental Micronesia	IAM	Flight Attendants
T	American Eagle	AFA	Flight Attendants
T-ODR	CSX Transportation	ATDD	Train Dispatchers
T-ODR	CSX Transportation	NCFO	Firemen & Oilers
T-ODR	Port Authority Trans-Hudson Corporation	IBT	Security Guards
T-ODR	United Airlines	PAFCA	Dispatchers

CASE RECORDS

2B. ADR CASES CLOSED

Case Type	Carrier/Entity	Union	Group
F	CSX Transportation	UTU	Yardmasters
F	CSX Transportation	UTU	Trainmen & Engineers
F	CSX Transportation	--	--
F	Piedmont Airlines	AFA	Flight Attendants
GM	Chautauqua Airlines	IBT	Pilots
GM	Chautauqua Airlines	IBT	Flight Attendants
GM	US Airways	AFA	Flight Attendants
GM	NJ Transit Rail Operations	BRS	Signalmen
GM	Metro North Railroad (MTA)	ACRE	Engineers and Related Employees [AL c/c]
GM	Colgan Air, Inc.	USW	Flight Attendants
GM	Metro North Railroad (MTA)	TCU	Clerks
GM	Southwest Airlines	SWAPA	Pilots
GM-ODR	CSX Transportation	ATDD	Train Dispatchers
OP	Metro North Railroad (MTA)	TCU	Office/Clerical
OP	--	UTU	General Chairman
OP	--	--	FMCS Presentation
T-ODR	American Eagle	AFA	Flight Attendants
T-ODR	CSX Transportation	ATDD	Train Dispatchers
T-ODR	CSX Transportation	NCFO	Firemen & Oilers
T-ODR	United Airlines	PAFCA	Dispatchers
T-ODR	Port Authority Trans-Hudson Corp	IBT	Security Guards
T	--	IAM	Airline District Presidents and General Chairman
T	--	IAM	Assorted Classes/Crafts - General Chairman
T	PSA Airlines	IAM	Mechanics and Related
T	--	IAM	COFPS at Alaska Airlines
T	ABX Air, Inc.	IBT	Flight Deck Crew Members
T	US Airways	IAM	Fleet Service Employees
T	--	--	Federal Dispute Resolution Conference
T	Southwest Airlines	SWAPA	Pilots

CASE RECORDS

3A. AIRLINE REPRESENTATION CASES DOCKETED

Carrier	Union	Craft/Class
Aeko Kula (d/b/a Aloha Air Cargo)	IBT	Pilots
Atlantic Southeast Airlines	IBT	Mechanics and Related Employees
Atlantic Southeast Airlines	IBT	Stock Clerks
Center for Emergency Medicine	OPEIU	Flight Deck Crew – Line Pilots
Continental Airlines	IAM	Fleet Service Employees
Continental Airlines	IAM	Ground Instructors
Delta Air Lines/Northwest Airlines (R-7223)	IAM	Fleet Service Employees
Delta Air Lines/Northwest Airlines (R-7256)	IAM	Fleet Service Employees
Delta Air Lines/Northwest Airlines (R-7224)	AFA-CWA	Flight Attendants
Delta Air Lines/Northwest Airlines (R-7254)	AFA-CWA	Flight Attendants
Delta Air Lines/Northwest Airlines	IAM	Passenger Service Employees
Delta Air Lines/Northwest Airlines	IAM	Simulator Technicians
Delta Air Lines/Northwest Airlines	IAM	Stock Clerks
Frontier Airlines	AFA-IBT	Flight Attendants
NJI	AFA	Flight Attendants
OpenSkies	IAM	Flight Attendants
Piedmont Airlines	CWA	Fleet and Passenger Service Employees
Republic Airlines	AFA-IBT	Flight Attendants
World Airlines	IBT	Mechanics and Related Employees

CASE RECORDS

3B. RAILROAD REPRESENTATION CASES DOCKETED

Carrier	Union	Craft/Class
Alabama & Tennessee River Ry.	UTU	Maintenance of Way Employees
Austin Western RR	BLET	Train and Engine Service Employees
Butte, Anaconda & Pacific Ry. d/b/a Rarus, Ry.	IBEW	Operating/Non-Operating Employees
Capital Metrorail	UTU	Engineer Employees
CSX Transportation	ISU-ILA	Coal Loading Supervisors
Dakota, Minnesota & Eastern RR	IAM	Car and Locomotive Mechanics
Dakota, Minnesota & Eastern RR	BMWED	Maintenance of Way Employees
Dakota, Minnesota & Eastern RR	IAM	Mechanics and Related Employees
Fulton County RR	UTU	Train and Engine Service Employees
Huron & Eastern RR	BMWE	Maintenance of Way Employees
Illinois & Midland Ry.	TCU	Transportation Coordinators, etc.
Indiana Southern RR	IAM	Maintenance of Way Employees
Indiana Southern RR	IAM	Non-Operating Employees
Kansas & Oklahoma RR	UTU	Train and Engine Service Employees
Long Island RR	ISA	Road Foremen of Engines
Ohio Central RR / RR Columbus & Ohio	BLET	Train and Engine Service Employees
Pan Am Railways	ATDA	Train Dispatchers
San Joaquin Valley RR	IAM	Machinists
San Joaquin Valley RR	IAM	Maintenance of Way Employees
San Joaquin Valley RR	IAM	Signalmen
Stillwater Central RR	ORMA-BMWE	Maintenance of Way Employees

CASE RECORDS

3C. AIRLINE REPRESENTATION CASES CLOSED

Carrier	Union	Craft/Class	Disposition
Air Transport International	IBT-ALPA	Flight Deck Crew Members	Certification
AirTran Airways	IAM	Fleet & Passenger Service	Dismissal-ISI
Aeko Kula (d/b/a Aloha Air Cargo)	IBT	Pilots	Certification
Cape Air (Hyannis Air Serv.)	CAPA-IBT	Pilots	Certification
Center for Emergency Medicine	OPEIU	Flt. Deck Crew-Line Pilots	Dismissal
Compass Air	AFA-CWA	Flight Attendants	Certification
Continental Airlines	IBT	Fleet Service Employees	Certification
Delta Air Lines	IAM	Simulator Technicians	Dismissal
Frontier Airlines	AFA-IBT	Flight Attendants	Certification
Liberty Helicopters	IAM	Mechanics and Related	Certification
NJI	AFA	Flight Attendants	Dismissal
North American Airlines	IBT-ALPA	Flight Deck Crew Members	Certification
Northwest Airlines/ Delta Air Lines	IAM	Fleet Service Employees	Dismissal-WDI
Northwest Airlines/ Delta Air Lines	AFA-CWA	Flight Attendants	Dismissal-WDI
Republic Airlines	AFA-IBT	Flight Attendants	FUI-Certification
USA 3000 Airlines	AFA-CWA	Flight Attendants	Certification
World Airlines, Inc.	IBT	Mechanics and Related	Dismissal-WDI

CASE RECORDS

3D. RAILROAD REPRESENTATION CASES CLOSED

Carrier	Union	Craft/Class	Disposition
Alabama & Tennessee River Ry.	UTU	Maintenance of Way	Certification
Austin Western Railroad	BLET	Train and Engine Service	Certification
Butte, Anaconda & Pacific Ry. d/b/a Rarus Ry.	IBEW	Operating/Non-Operating Employees	Dismissal-WDI
Capital Metrorail	UTU	Engineer Employees	Dismissal-WDI
Chicago, Ft. Wayne & Eastern Railroad	BRS	Signalmen	Dismissal
CSX Transportation	ISU-ILA	Coal Loading Supervisors	Certification
Dakota, Minnesota & Eastern RR	IAM	Car & Locomotive Mechs.	Certification
Dakota, Minnesota & Eastern RR	BMWED	Maintenance of Way	Certification
Dakota, Minnesota & Eastern RR	IAM	Mechanics and Related	Dismissal-WDI
Fulton County RR	UTU	Train and Engine Service	Certification
Huron & Eastern RR	BMWE	Maintenance of Way	Certification
Illinois & Midland Ry.	TCU	Coordinators, etc.	Dismissal-WDI
Indiana Southern RR	IAM	Maintenance of Way	Certification
Kansas & Oklahoma RR	UTU	Train and Engine Service	Dismissal
Long Island RR	IRSA	Road Foremen of Engines	Certification
Ohio Central RR / Columbus & Ohio RR	BLET	Train and Engine Service	Certification
Pan Am Railways	ATDA	Train Dispatchers	Certification
Port Authority Trans-Hudson	IBEW	Transportation Operations Examiners	Certification
San Joaquin Valley RR	IAM	Machinists	Certification
San Joaquin Valley RR	IAM	Maintenance of Way	Certification
San Joaquin Valley RR	IAM	Signalmen	Certification
Stillwater Central RR	ORMA-BMWE	Maintenance of Way	Dismissal-WDI

GLOSSARY

These definitions are provided for general understanding only. They do not provide definitive definition regarding any matter before the Board and are not to be construed as legal definitions that may be cited in any administrative, legal or arbitral proceeding.

Act The Railway Labor Act

Agency The National Mediation Board

Alternative Dispute Resolution (ADR) ADR is a process for resolving disputes outside of the judicial system of law. In the venue of the NMB, ADR is the facilitation of interest-based or mutual-interest negotiations and grievance mediation.

Amendable Contract Under the Railway Labor Act, collective bargaining agreements become subject-to-change on a specified date, rather than expiring as agreements do under the National Labor Relations Act.

Annual Report NMB's Annual Performance and Accountability Report

Arbitration A type of dispute resolution process where an arbitrator renders a decision, which usually can be appealed judicially only on a very narrow basis such as fraud

Arbitration Forum A committee formed of officials of railroads, rail unions, arbitrators and the NMB for the purpose of improving the processing of railroad employee grievances

Board May be one of the following, depending upon the context in which it appears:

- National Mediation Board (NMB)
- Presidential Emergency Board (PEB)
- National Railroad Adjustment Board (NRAB)
- Special Board of Adjustment (SBA)
- Public Law Board (PLB)
- System Board of Adjustment (SBA)

CFO Act Chief Financial Officer's Act

Class I A category of the largest U.S. railroads as defined by the Surface Transportation Board

Collective Bargaining Agreement A labor contract between a union and a carrier

Cooling Off Period A 30-day period of time preceding the right of parties to a collection bargaining dispute to engage in "self help" under the RLA

Craft or Class A group of employees deemed by the NMB to share a community of work and interest for the purpose of collective bargaining under the RLA

Direct Negotiations Negotiations between the parties to a collective bargaining dispute before or apart from NMB mediation

Dunlop II Committee An independent review committee comprised of carrier and union experts formed at the request of the NMB in FY 2009 to examine the internal functions, policies and procedures of the agency and the progress of the agency subsequent to the recommendations of the Dunlop Commission of the 1990s.

E-book A book available via the Internet such as NMB's Annual Performance and Accountability Report

E-business The conduct of business on the Internet

E-filing An electronic method for submitting documents

Facilitation A process where a neutral helps the parties in a collective bargaining or grievance dispute use ADR problem-solving methods such as interest-based bargaining or grievance mediation

Facilitated Problem Solving This approach to bargaining utilizes a process of problem identification and discussion to reach resolution of issues rather than an exchange of proposals.

Grievances Complaints of employees or unions arising out of the application or interpretation of collective bargaining agreements

Grievance Arbitration A method of resolving grievances whereby an arbitrator determines the outcome

Grievance Mediation In the venue of the NMB, using mediation as an alternative to arbitration for resolving grievances

Impasse In mediation under the RLA, an impasse is when the NMB determines that further mediation will not resolve a collective bargaining dispute.

Interest Arbitration A process, under the RLA, to establish the terms of a new or modified collective bargaining agreement through arbitration, rather than through negotiations.

Interest Based Negotiation A type of negotiations where the parties collaboratively focus on finding solutions to underlying needs or concerns of each party (i.e., the whys) instead of adversatively negotiating specific positions

Internet Voting A web-based balloting option that supplements telephone electronic voting in representation elections

Laboratory Conditions Conditions to a representation dispute which ensure the independence of labor and management for the purpose of self-organization and the right of employees to freely determine whether they wish to be represented, or not, for the purpose of collective bargaining

Legacy Carriers A term applied to traditional major, hub-based airlines versus regional or point-to-point carriers

Major Disputes Disputes between management and a union pertaining to collective bargaining as opposed to grievance disputes known as Minor Disputes

Mediation A type of dispute resolution process where a neutral (i.e., a mediator) facilitates agreement between the parties to a collective bargaining dispute, vis-a-vis imposing a settlement on the parties via arbitration

Minor Disputes Grievances of employees or unions arising out of the application or interpretation of collective bargaining agreements as opposed to collective bargaining disputes known as Major Disputes

National Handling Mediation of a collective bargaining dispute where management of several railroads have chosen to negotiate collectively on a national basis

National Labor Relations Act (NLRA) Grants most private sector workers the right to organize and bargain collectively. Air and rail employees, however, are covered by the Railway Labor Act (RLA) rather than the NLRA.

National Railroad Adjustment Board One of three types of tribunals under the RLA for resolving railroad grievances (also see Special Boards of Adjustment and Public Law Boards). NRAB cases are resolved by the carrier and union members with or without a neutral.

NMB Lyceum The NMB's open-resource, distance-learning website established to provide NMB staff, labor relations practitioners and the public with training programs relevant to the National Mediation Board and the Railway Labor Act.

Ombudsman An official of the NMB that receives and addresses problems or complaints of employees or contractors regarding actions of agency managers or staff

Online Arbitration An Arbitration forum and a form of Online Dispute Resolution where hearings are held in virtual, web-based meeting rooms with live video

Online Dispute Resolution The application of Internet or web-based technology to resolving disputes

Open Government Directive President Obama's Directive of December 8, 2009, requiring Federal executive departments and agencies to take specific actions to implement the principles of Transparency, Participation, and Collaboration.

Presidential Emergency Board A Board established under the Railway Labor Act by the U.S. President to investigate and report on an airline or railroad labor dispute

Proffer of Arbitration The step in the process of resolving collective bargaining disputes under the RLA, which follows a determination of impasse by the NMB, whereby the NMB offers binding arbitration to the parties as a method for resolving the dispute

Public Interest Meetings Under the RLA, the NMB can intervene in an active collective bargaining dispute at any time in the interest of the general public. Usually, one or both parties to a dispute requests the mediation services of the NMB.

Public Law Boards (PLB) One of three types of tribunals under the RLA for resolving railroad grievances (also see National Railroad Adjustment Board and Special Boards of Adjustment)

Railway Labor Act (RLA) A federal law that grants interstate airline and railroad employees the right to organize and bargain collectively. Other private industry employees are covered by the National Labor Relations Act (NLRA).

Representation Dispute A situation on an airline or railroad where employees in a specific, carrier-wide workgroup seek to organize for the purpose of collectively bargaining with their employer regarding matters of wages, benefits and working conditions

Section 3 Section 153 of the RLA pertaining to the National Railroad Adjustment Board

Section 3 Committee A group of representatives from freight, regional and commuter railroads and representatives of major rail unions, whose goal is the improvement of resolution of grievances

Section 6 Section 156 of the RLA pertaining to the changing of wages, rules, hours and working conditions

Section 7 Section 157 of the RLA pertaining to Arbitration

Section 9a Section 159A of the RLA pertaining to Presidential Emergency Boards for certain publicly-funded and operated commuter railroads

Section 10 Section 160 of the RLA pertaining to Presidential Emergency Boards for airlines and railroads other than those covered by Section 9a

Self Help The right of a party to a collective bargaining dispute to unilaterally act in its own best interest. A carrier, for example, may lock disputing employees out of the workplace or implement changes in pay, rules and working conditions; and the union, for example, may work specifically as required by its collective bargaining agreement or strike.

Showing-of-Interest In a representation dispute, employees in a Craft or Class must indicate an interest in being represented for the purpose of collective bargaining by signing authorization cards which are submitted to the NMB by the representative/s of their choosing.

Special Boards of Adjustment (SBA) One of three types of tribunals under the RLA for resolving railroad grievances (also see National Railroad Adjustment Board and Public Law Boards)

Status Quo Situations under the RLA in either collective bargaining or representation disputes where existing pay rates, rules and working conditions cannot be changed unilaterally, pending the resolution of the dispute in question.

Strike A work stoppage action initiated by a union

System Boards of Adjustment (SBA) An arbitration board pursuant to an agreement by the parties for resolving airline grievances.

System-wide Under the RLA, a craft or class applies anywhere an airline or railroad operates in the United States

Telephone Electronic Voting (TEV) A paperless balloting process using telephones instead of traditional paper ballots

Work Stoppage An interruption to the operations of an airline or railroad

ACRONYMS

AA	American Airlines
ABA	American Bar Association
ABX	Airborne Express
A-case	An NMB designation for a Mediation case
ACR	Association for Conflict Resolution
ACRE	Association of Commuter Rail Employees
ADR	Alternative Dispute Resolution
ADRS	Alternative Dispute Resolution Services
AE	Airborne Express
AFA	Association of Flight Attendants
AFGE	American Federation of Government Employees
AFL-CIO	American Federation of Labor and Congress of Industrial Organizations
AIRCON	Airline Industrial Relations Conference
ALI-ABA	American Law Institute-American Bar Association
ALPA	Air Line Pilots Association
ALRA	Association of Labor Relations Agencies
AMFA	Aircraft Mechanics Fraternal Association
AMT	Aircraft Maintenance Technicians
AMTRAK	National Railroad Passenger Corporation (NRPC)
APA	Allied Pilots Association
APG	Amerijet Pilots Group
ARASA	America Railway and Airway Supervisors Association
ASA	Atlantic Southeast Airlines
ATA	ATA Airlines
ATDA	American Train Dispatchers Association
ATDD	American Train Dispatchers Department (BLET)
AWS	Alternative Work Schedule
BLET	Brotherhood of Locomotive Engineers and Trainmen
BMWE	Brotherhood of Maintenance of Way Employees
BMWED	Brotherhood of Maintenance of Way Employees Division
BRC	Brotherhood of Railway Carmen
BRS	Brotherhood of Railroad Signalmen
CAPA	Cape Air Pilots Association
CBA	Collective Bargaining Agreement
CFO	Chief Financial Officer
CIO	Chief Information Officer
CLE	Continuing Legal Education
CN	Canadian National Railway
COOP	Continuity of Operations Plan
CSRS	Civil Service Retirement System
CSX/CSXT	CSX Transportation, Inc.
CWA	Communication Workers of America
DC	District of Columbia
DEU	Delegating Examining Activities
EEOC	Equal Employment Opportunity Commission
EFT	Electronic Funds Transfer
EO	Executive Order
F-case	An ADR designation for Facilitation cases (F and F-ODR)
F&O	Firemen & Oilers
FEMA	Federal Emergency Management Agency

FERS	Federal Employment Management System
FFMIA	Federal Financial Management Improvement Act
FISMA	Federal Information Security Management Act
FLRA	Federal Labor Relations Authority
FMFIA	Federal Managers' Financial Integrity Act of 1982
FOIA	Freedom of Information Act
FPDS-NG	Federal Procurement Data System – Next Generation
FPS	Facilitative Problem Solving
FUI	Findings Upon Investigation
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GAO	Government Accountability Office
GLOWS	Accounting System Used by NMB
GM	Grievance Mediation
GM-case	An ADR designation for Grievance Mediation cases (GM and GM-ODR)
GPRA	Government Performance and Results Act
GSA	General Services Administration
HERE	Hotel Employees and Restaurant Employees International Union
IAM	International Association of Machinists & Aerospace Workers
IAMAW	International Association of Machinists & Aerospace Workers
IBB	Interest Based Bargaining
IBEW	International Brotherhood of Electrical Workers
IBT	International Brotherhood of Teamsters
ICT	Information and Communication Technology
IFPA	Independent Freight Pilots Association
IHB	Indiana Harbor Belt
IPA	Independent Pilots Association
IRSA	Independent Railroad Supervisors Association
ISA	Independent Supervisors Association
ISU-ILA	Independent Supervisors Union - International Longshoreman Association
IT	Information Technology
JCC	Joint Council of Carmen
JD	Juris Doctor (Doctor of Law)
KCS	Kansas City Southern Railroad
MWA	Midwest Airlines
NA	Not Applicable
NARA	National Archives and Records Administration
NARR	National Association of Railroad Referees [arbitrators]
NASAP	NetJets Association of Shared Aircraft Pilots
NCFO	National Conference of Firemen and Oilers
NJA	NetJets Aviation
NJI	NJI, Inc.
NJT	New Jersey Transit
NLRA	National Labor Relations Act
NLRB	National Labor Relations Board
NMB	National Mediation Board
NPA	National Pilots Association
NRAB	National Railroad Adjustment Board
NRLC	National Railway Labor Conference
NRPC	National Railroad Passenger Corporation (AMTRAK)
NS	Norfolk Southern
OA	Office of Administration
ODR	Online Dispute Resolution
OLA	Office of Legal Affairs

OMB	Office of Management and Budget
OMS	NMB Office of Mediation Services
OP	Outreach and Promotion
OP-case	An ADR designation for Outreach OP and OP-ODR cases
OPEIU	Office and Professional Employees International Union
OPM	Office of Personnel Management
ORMA	Oklahoma Railroad Maintenance Association
OVC	Online Video Conferencing
P&W	Providence and Worcester Railroad
PAFCA	Professional Airline Flight Control Association
PATH	Port Authority Trans Hudson
PDSSA	Pinnacle Dispatcher & Sector Supervisor Association
PEB	Presidential Emergency Board
PII	Personal Identifying Information
PIV	Personal Identity Verification
PLB	Public Law Board
POA&M	Plans of Action and Milestones
R-case	An NMB designation for a Representation case
RA	Republic Airlines
RIM	Records and Information Management
RITU	Railway Independent Transit Union
RLA	Railway Labor Act
RR	Railroad
SAEA	Southwest Airlines Employee Association
SBA	Special Board of Adjustment or System Board of Adjustment
SCFE	South Central Florida Express
SEPTA	Southeastern Pennsylvania Transportation Authority
SFFAC	Statements of Federal Financial Accounting Concepts
SMWIA	Sheet Metal Workers International Union
SOP	Standard Operating Procedures
STB	Surface Transportation Board
SWAPA	Southwest Airlines Pilots Association
T-case	An ADR designation for Training cases (T and T-ODR)
TCU/TCIU	Transportation Communications International Union
TEV	Telephone Electronic Voting
TGWU	Transportation and General Workers Union
TIC	Trusted Internet Connections
TWA	Trans World Airlines
TWACCA	TradeWinds Airlines Cockpit Crewmembers Association
TWU	Transport Workers Union of America
UMASS	University of Massachusetts - Amherst
UP	Union Pacific Railroad
UPS	United Parcel Service
USAPA	US Airline Pilots Association
USA/USWA	United Steelworkers of America
UTU	United Transportation Union
WDI	Withdrawn During Investigation
YDM	Yardmasters



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